

HRA Business Plan 2019

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1. Setting the scene

1.1. Why we need a business plan

The Housing Revenue Account (HRA) Business Plan is Canterbury City Council's strategic plan for its housing stock and needs to be renewed.

For the first time in a generation, housing is a priority. Nationally and locally there is a serious shortage of homes and a crisis of affordability. Many local people are priced out of the housing market, and housing need and homelessness in the district are increasing at an alarming rate. In a major change of policy, Government has recognised the potential of council housing to be part of the solution: encouraging council building by removing the cap on HRA borrowing, reversing the rent reduction policy, abolishing pay to stay and the forced sale of high value assets. The Business Plan has been prepared in response to this changing policy environment: it explains our current situation, what we want to achieve and how we will be paid for it.

In order to respond to these challenges and deliver our strategic aims we first have to address the financial health of the HRA. Our HRA should be financially sound, yet it is currently unsustainable because expenditure is budgeted to exceed income by £5.8 million in 2019/20 (Appendix B). This is due to:

- government imposed rent reductions;
- investment in new homes at Parham; and
- unsustainably high budgets for the capital repairs programme and revenue maintenance.

This Business Plan has to get the basics right: to improve procurement and contract management, control expenditure on maintenance and increase income so that we can meet our legal obligations as a landlord and achieve our ambition to build new council homes.

1.2. What we want to achieve

The Business Plan is part of the council's framework of strategic plans. It supports the Corporate Plan 2016-2020 objective of *Working To Achieve Enough High Quality Housing To Meet Everyone's Needs*

(https://www.canterbury.gov.uk/downloads/download/18/corporate_plan_2016_to_2020), specifically to:

- Build housing for those who struggle to afford market prices
- Reduce homelessness
- Enable people to live independently

and directly contributes to all the strategic priorities of the Housing, Homelessness and Rough Sleeping Strategy 2018-2023

(https://www.canterbury.gov.uk/downloads/download/25/housing_strategy):

Key Strategic Priority One: Increase the supply and choice of good quality homes that local people can afford.

Key Strategic Priority Two: Improve quality and make efficient use of existing housing within the district, to ensure it meets current and future housing needs.

Key Strategic Priority Three: Support vulnerable people to access and maintain housing including preventing and ending homelessness.

Our proposals to develop more homes, particularly on small brownfield sites, also make a modest contribution to delivering the Local Plan. Appendix C illustrates the relationships between our housing-related strategies, policies and procedures.

We need a new strategic approach that dramatically improves performance, addresses the HRA's financial crisis, restores its viability as a business, tackles increasing housing need and shrinking stock numbers and makes the most of the new policy environment.

Our strategic outcomes for the HRA are to:

1. Ensure the HRA's finances are robust and sustainable.
2. Provide safe, well maintained homes for local people in housing need at prices they can afford.
3. Focus on the council's statutory housing responsibilities, particularly homelessness prevention.
4. Reduce the cost to the General Fund of accommodating homeless households.
5. Build or buy enough homes each year to counteract the impact of the Right to Buy.
6. Proactively manage HRA assets.
7. Provide good quality generalist accommodation for rent that complements the work of other Registered Providers.

The HRA is complex: the range of activities are inter-related and mutually dependent. Each section of this Plan explains the current context, our objectives for the future and our proposed actions, which are consolidated in the Action Plan (Section 9).

The Business Plan is supported by an electronic toolkit that enables us to model alternative financial scenarios over a 30-year period and replaces the Business Plan update of 2014 (https://www.canterbury.gov.uk/downloads/file/163/housing_revenue_account_business_plan). It will be revised annually to respond to changing circumstances, with an in-depth review every three years.

1.3. What is the HRA?

The council is required to have an HRA by the Local Government and Housing Act 1989 as a ring-fenced account for income and expenditure arising from the provision of housing accommodation under Part II of the Housing Act 1985. The HRA cannot be funded from or make contributions to the council's General Fund. As a stock-holding authority, we must produce a 30-year business plan for the HRA under Section 88 of the Local Government Act 2003.

The Localism Act 2011 introduced self-financing, giving us a degree of autonomy to manage the HRA to meet local priorities, although this principle has been weakened by Government interventions, such as rent cuts.

2. The council's homes

2.1. Our local housing market

Current context

- 66,777 homes in the district, 8% of which are in the HRA.
- Our population of 164,100 is forecast to grow by 14% by 2031, with the number of over-65s rising by 38%;
- Canterbury District has the third lowest workplace earnings in Kent, yet some of the highest accommodation costs in East Kent;
- Decreasing levels of home ownership;
- 57% of would-be first time buyers priced out of the market;
- Diminishing supply of affordable housing;
- Growing reliance on the private rented sector;
- Increasing homelessness;
- The housing market in Canterbury is changing, but still distorted by a private rented sector aimed at the lucrative student market.

2.2. Overview of our stock and tenants

Current context

- 5,093 council homes at 31 March 2019;
- 83% built after 1945;
- 96% of properties meet the Decent Homes Standard;
- 18% of stock designated for older people, including 17 sheltered schemes and four schemes of Sheltered Housing Plus;
- Average rent £90.82 per week, which has been decreasing since April 2016 because of Government-imposed rent reductions:
- The rent-cut policy has reduced rental income by 12%;
- At 40% of average market rent, council social rents are the lowest in the district;
- 69% of tenants receive full or partial Housing Benefit. Many are in low-paid jobs, cannot afford a home in the private sector and rely on Housing Benefit.
- Between 2015/16 to 2017/18 we bought 47 homes for £10 million, funded by retained Right to Buy (RTB) receipts, borrowing and HRA working balances;
- 81 homes sold under RTB during the same period; 35 more were sold in 2018/19;

- Stock numbers and income are reducing steadily because of RTB;
- In 2018/19 we invested £22.2 million to buy modern student accommodation for conversion to meet local housing needs;
- £5.3 million to be spent in 2019/20 to remodel them into 61 family homes and purchase 20 studio flats with associated land;
- £3.5 million committed to fire precautions and fire suppression systems.

	Studio	1-bed	2-bed	3-bed	4-bed	5-bed	Total
Bungalow	112	249	153	1			515
Flat	300	1145	650	16	5		2116
Hostel	16	20	2				38
House			767	1423	85	8	2283
Maisonette			84	54	3		141
Grand Total	428	1414	1656	1494	93	8	5093

2.3. The need for council housing

Current context

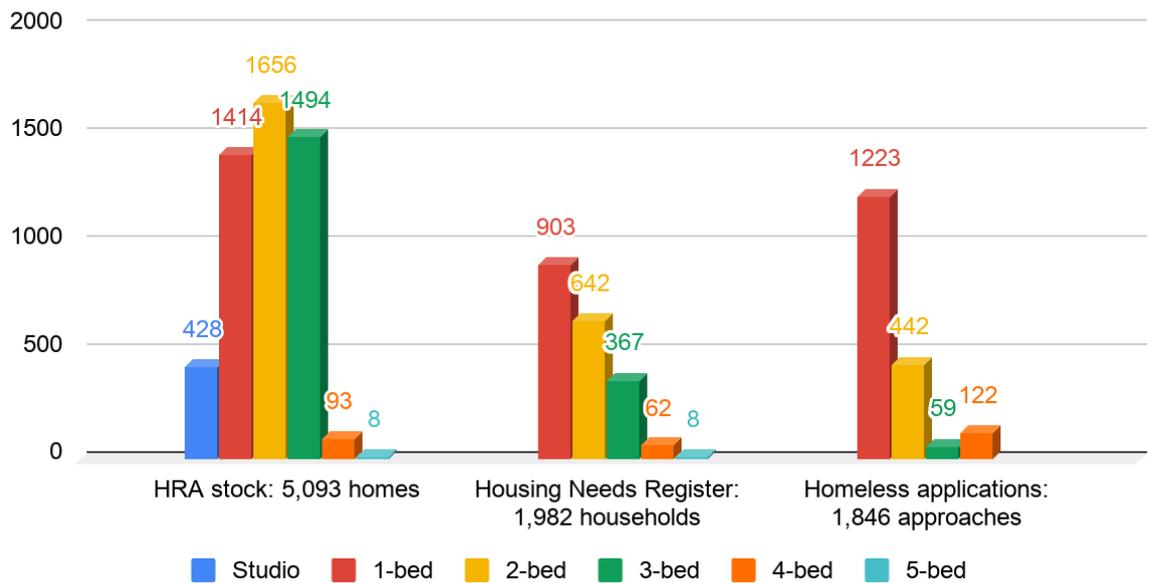
- Housing need is huge compared to the council's 5,093 homes at 31 March 2019.
- 1,982 households on the Housing Needs Register (HNR) at 1 April 2019;
- 1,846 homeless approaches in 2018/19, the highest in Kent;
- 133 households in temporary accommodation at 2 April 2019, including 107 outside the district in expensive nightly-paid accommodation;
- Fewer homes become vacant;
- Only 346 properties available to let in 2018/19 compared to 650 in 2013/14;
- Vacancies included 116 sheltered properties for older people, so only 230 were General Needs;
- Some applicants on the HNR are housed within a few weeks, although many wait much longer, sometimes several years;
- Waiting times vary greatly according to applicants' priority, the type of accommodation required and choice of area;
- Temporary accommodation cost the General Fund £738,000 in 2017/18, rising to £1,192,310 in 2018/19.

The number of local residents on the HNR is growing and is a key indicator of housing need. Most households need to move for health or social reasons, overcrowding and lack of affordability: more applicants are vulnerable or have complex needs. Our Housing Allocations Policy governs who is eligible to join the HNR, and prioritises applicants according to their housing needs and their application date.

We seek to prevent homelessness wherever possible. However, the number of homelessness approaches is rising, a trend exacerbated by The Homelessness Reduction Act. Although we owed a full housing duty to only a small proportion of those who considered themselves threatened with homelessness, it is an indication of the level of insecurity in the local housing market. The situation is explained in greater detail in the Housing, Homelessness and Rough Sleeping Strategy 2018-2023.

This is the primary cause of the increased spending on temporary accommodation, which we aim to reduce by making more effective use of our own housing stock. Chart 1 illustrates the scale of the challenge.

Chart 1: Breakdown of HRA properties by number of bedrooms compared to number of households in need shown by number of bedrooms required



We have to balance the needs of HNR applicants with the need for more permanent housing solutions for people who are homeless. Therefore, we will review the Housing Allocations Policy to make better use of our stock to balance need and supply.

At the same time we will review our Tenancy Policy, which sets out the types of tenancies granted by the council. It has to align with the Housing Allocations Policy to ensure that the correct type of tenancy is used in the right circumstances to effectively address under-occupation and support the efficient use of our limited supply of homes.

Homelessness and letting council housing are functions that have been retained by the council's Community Services.

We will:

Reduce dependence on hostels & nightly-paid accommodation by:

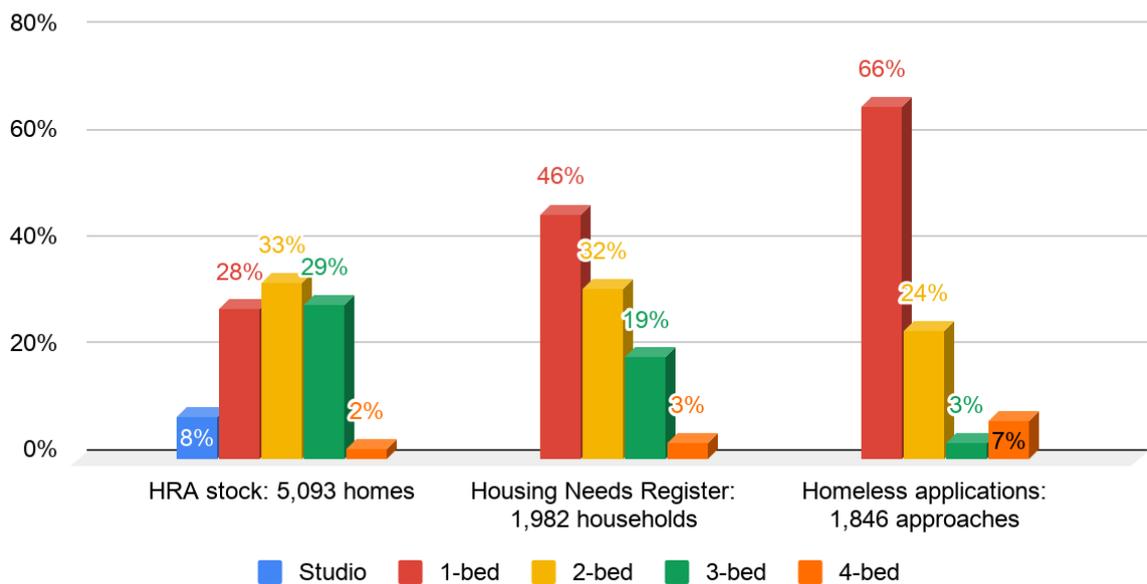
- Reducing reliance on temporary accommodation outside the district.
- Increasing the amount of temporary accommodation in the district.
- Making more effective use of our housing stock & RPs to rehouse homeless households to whom a duty is owed, more quickly.
- Ensuring that the Housing Allocations Policy & Tenancy Policy are aligned to facilitate this.

2.4. The fit between housing need and our stock

Current context

There is an imbalance between local housing needs and the supply of vacant homes. The mix of property types, numbers of bedrooms and restrictions on use, as defined by homelessness legislation and our Housing Allocations Policy (see Chart 2) often do not meet our customers' needs. There is a growing number of smaller households: life expectancy is increasing, more people live alone and families have fewer children. About 78% of applicants qualify for one- or two-bedroom properties, whereas these account for only 69% of our accommodation. Between 1 April 2018 to 31 March 2019, 346 offers were made, 88% for one and two-bedroom properties.

Chart 2: Comparison of HRA properties by number of bedrooms as % of stock to size of households in housing need



There is some temporary accommodation in the HRA stock, which we want to increase to reduce costs and guarantee quality. The recently-adopted Temporary Accommodation Placement Policy explains how we allocate temporary accommodation, and introduces new charging principles to improve equity of treatment and start to recoup some of the council's costs.

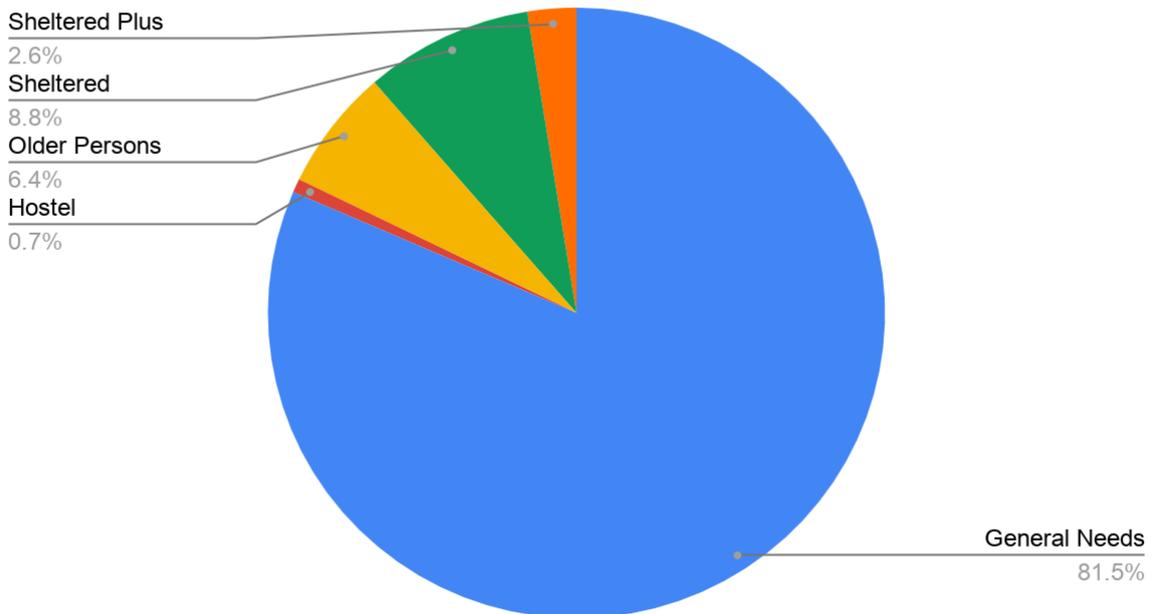
However, we must use our own housing stock more effectively in response to this human and financial crisis (Section 2.3), which requires a comprehensive rethink of our policies and processes to ensure that they are aligned and have unity of purpose:

- Housing Allocations Policy;
- Homelessness processes and prevention;
- Purpose and use of hostels and other temporary accommodation;
- Pathways into permanent accommodation;

- Tenancy Policy, the use of flexible (fixed term) tenancies and the review process;
- Tenancy sustainment;
- Money and benefits advice;
- Removing unnecessary designations that restrict the use accommodation by actively managing our assets (Section 2.8);
- The role of Registered Provider (RP) partners and reputable private landlords.

Over 900 properties are earmarked for older people, comprising designated older persons housing, sheltered housing and Sheltered Plus. Take-up is limited because some of them do not reflect older people’s housing aspirations. There has been no recent assessment of the purpose, need for, or supply of older persons accommodation. Many applicants in housing need are too young to qualify. As a result people in dire need of somewhere to live cannot be offered permanent homes, while properties stand empty.

Chart 3: Designated uses of our stock



A review is underway of the 18% of our homes earmarked for older people. The first stage is examining the Sheltered Plus service, which consists of four schemes of 127 properties offering more support than standard sheltered housing. This was chosen as the starting point for the review because flats are empty for long periods and the service depends on a large subsidy from the HRA.

Two schemes in particular have long-term vacancies because accommodation is predominantly dated studio flats. Between 3 March 2017 and 1 April 2018, 40 flats (31%) became empty, 17 of which were vacant for more than 6 months. The total rent and service charges lost during 2017/18 because of vacant properties is estimated at £130,224.

Two different service levels are in operation across the four schemes, which have to be subsidised by the HRA by either £11.64 per flat per week or £18.44 per flat per week, at a total cost of £96,694 per annum. The service charge has to be underwritten by the HRA because it is not fully eligible for Housing Benefit and is too expensive for most tenants. It covers the cost of staff and is incurred on all Sheltered Plus accommodation, irrespective of whether individual properties are occupied or vacant. Despite the subsidy, many prospective tenants consider the accommodation unaffordable.

The combined cost of underwriting the service (£96,694) plus the void losses (£130,224) is £226,918 per year, which the HRA cannot sustain. This financial problem was precipitated by the withdrawal of Supporting People Grant by Kent County Council (KCC) on 31 March 2018. A separate report on the future of Sheltered Plus will be prepared for councillors during late 2019.

The next stages in the review will appraise options for the future of sheltered housing and designated older persons accommodation. We recognise that this type of accommodation is valued by some people, and we need to understand what form this may take in the future and how much will be required to meet changing housing needs, demographics and people's aspirations. The review will take account of the Kent Accommodation Strategy for Adult Social Care (<https://www.kent.gov.uk/about-the-council/strategies-and-policies/adult-social-care-policies/accommodation-strategy-for-adult-social-care>), which addresses the need for housing, care and support services for adult social care clients who require higher levels of care.

KCC's new supported living model has moved away from accommodation-based support to a person-centred approach, linking support to the individual, not the accommodation. Social care is under huge financial pressures. As a result, services are changing, with greater focus on care leavers, lower provision for some other client groups, and higher eligibility thresholds.

Many of our tenants have complex support needs, because of age, vulnerability, infirmity, disability or issues such as substance misuse. However, provision of support services is not a landlord function of the HRA, does not usually qualify for Housing Benefit and any service that relies on the benefits system is inherently risky. It is not financially viable for the HRA to fund housing-related support or provide specialist or supported housing.

The HRA should focus on being a good landlord, supplying safe, high-quality accommodation that is sufficiently flexible to meet the needs of the vast majority of people, not a provider of housing-related support. Many other councils and RPs have already adopted this strategy. The council and East Kent Housing (EKH) will continue to liaise with Social Services and other providers to enable tenants to live independently in the community. CCC's accommodation and landlord services may be able to mitigate some negative impacts in limited circumstances. For example, £470,000 is committed in the HRA Budget 2019/20 to fund disabled adaptations in individual properties as set out in the draft Disabled Adaptations Policy (Appendix D), but the HRA is not a substitute for appropriate social care and cannot afford to provide housing-related support services that are ineligible for Housing Benefit.

There are a wide range of supported living providers in the district, supporting varied client groups including mental health, rehabilitation, learning disabilities and domestic abuse. This reinforces the direction of travel towards a landlord-only function for the council and EKH.

We will:

- Ensure that the development & capital maintenance programmes produce accommodation that is sufficiently flexible to meet the reasonable housing needs of most people.
- Develop an exit strategy for the provision of all housing-related support to tenants.
- Appraise the need and role of accommodation designated for older people, assess whether it is fit for purpose and develop a strategy for its future.
- Adopt and implement the draft Disabled Adaptations Policy (Appendix D) and continue to fund adaptations at a similar level to the 2019/20 budget figure of £470,000.

2.5. Tenure and using the stock more effectively

Current context

The HRA’s core business is to provide homes for local people to rent at a price they can afford.

After successfully completing a one-year introductory tenancy, our tenants become Secure Tenants on five-year flexible tenancies. If tenants’ personal circumstances are unchanged, there is a presumption in favour of renewing the tenancy for a further five years. However, this is an opportunity to review the housing needs of tenants, advise them about their housing options and facilitate better use of affordable homes. A cross-service review process has to be established involving Housing Solutions, EKH, Social Services or other relevant agencies.

We know that many longstanding council tenants have more bedrooms than they need, although there is no firm information to quantify the true scale of the problem. On 30 May 2019 316 council tenants were on the HNR: of which 64 were under-occupying, and 122 were overcrowded.

Under Occupying by 1 bedroom	44
Under occupying by 2 or more bedrooms	20
Major Overcrowding	12
Minor Overcrowding	110

This group of potential downsizers is self-selecting and is therefore not representative. Tenants who have more bedrooms than they require are less likely to seek to move than those who are overcrowded, unless circumstances force their decision, such as infirmity, ill health or the need for ground floor accommodation.

We want to make it easier for people to downsize, so in April 2019 the HRA invested £52,000 revenue, with additional funding from the Better Care Fund, to employ a support worker to:

- Provide encouragement and practical support for tenants who are older, vulnerable or disabled and under occupying social housing to move home.
- Ensure that households have a home that meets their needs, enables them to live independently, and makes best use of social housing.
- Encourage tenants of adapted properties who no longer need an adaptation to move and free up the accommodation for those that need it.
- Improve the health and wellbeing of vulnerable residents by ensuring support and medical needs are met (reducing hospital admissions, falls, fuel poverty, isolation and improving mental health).

The project will also seek to improve data collection and analysis. It has a target of 10 moves in 2019/20, which, if successful, will be a cost-effective way of returning homes to family occupation and may lead to a longer term initiative if successful.

We are not a shared ownership landlord at present. Many RPs have a track record of building and managing shared ownership in the district and this tenure will make up 30% of affordable housing on new Local Plan developments. It makes little strategic sense to duplicate their efforts, although this will be kept under review. Shared ownership is a useful housing option for some people, but many households who are homeless or on the HNR are vulnerable and do not have sufficient income to qualify for a mortgage. Our demonstrable need is for rented council accommodation.

We will:

- Revise the Housing Allocations Policy & Tenancy Policy to make more effective use of our housing stock to:
 - Meet the demands from the HNR
 - Help discharge the council's statutory housing responsibilities.
 - Minimise the use of temporary accommodation.
 - Make it easier for tenants to move to a larger or smaller home to suit changing family needs.
- Design policies & inter-service processes for reviewing flexible tenancies.
- In 2019/20 provide £52,000 revenue funding to support a minimum of 10 households to smaller, more suitable accommodation. Evaluate the project to determine whether it is an effective use of HRA funding.

2.6. Housing management

Current context

Since 2011 our homes have been managed and maintained by EKH, a company jointly owned by Canterbury and three neighbouring councils, which provides landlord services for the combined 18,000 properties. Systems and processes are gradually being harmonised to improve value for money, efficiency and effectiveness. However, each council owns its own properties and EKH is obliged to maintain a degree of separation between the four housing stocks. Working with four client councils with differing priorities is complex and challenging for EKH.

The core management fee of £2.9 million per annum has never increased to take account of inflation, salary increments or pension liabilities, which have all been absorbed by EKH, although specific funding has been agreed, for a procurement officer, for example. As a result, staff numbers have reduced and EKH's resources are stretched.

Benchmarking data from 2016/17 showed that EKH had upper quartile performance among similar organisations for overall service cost per dwelling and empty (void) property management. Resident satisfaction with responsive repairs arrangements has also been consistently high.

However, there are functions where EKH does not perform well that require urgent improvement. EKH has had difficulties recruiting suitably qualified and experienced staff and has relied heavily on interim and agency staff.

An Improvement Plan (Appendix E) agreed by all four councils in early 2019 sets out agreed actions and targets for EKH's performance, supported by extra resources from the councils. Additional revenue of £214,000 plus £124,000 of capital were included in the HRA budget 2019/20 for this purpose. The Improvement Plan will be monitored on a quarterly basis by the Client Officers, and a comprehensive review will be completed in the last six months (1 April 2020 to 30 September 2020).

Areas for improvement are:

- Procurement of key contracts for planned maintenance and capital improvement programmes.
- Contract management of key contracts.
- Rent collection and arrears, particularly in relation to Universal Credit.
- Implementation of the IT single system.
- Organisational health and sustainability.

The four councils invested in a new IT system for EKH to streamline processes, enable flexible and remote working, and improve online functionality for residents. Delays implementing the system have increased costs and affected service efficiency. Full implementation of the new system during 2019 is an essential part of the

Improvement Plan. The single system must facilitate more efficient processes and working practices, and supply data and intelligence to inform decision-making. £55,600 per annum, previously used to pay for the council's old housing software, will be transferred to EKH to maintain the new system. Together these amounts will increase the total EKH management fee to CCC for 2019/20 to £3.1 million. Payment beyond 2019/20 depends on the successful delivery of the Improvement Plan.

In addition to the management fee increases, EKH has asked for a proportion of the capital programme to pay for the preparation of specifications and tender documents to enable the full programme to be delivered. The 2018/19 and 2019/20 capital programmes total £14.7 million, of which £5.7 million is still to be specified and procured. EKH has requested that up to 2% (£114,000) of the unprocured amount be made available to support document preparation plus a further £10,000 to increase consultancy support in relation to essential servicing contracts.

The council will take all reasonable steps to guarantee the success of the EKH Improvement Plan. However, we must appraise the options and make contingency plans in case of unexpected failure.

In February 2019 the East Kent Audit Partnership reported on tenancy and RTB fraud prevention. Nineteen recommendations have been made within this report of which five are the responsibility of the four partner councils and fourteen are the responsibility of EKH. The council will work with EKH to ensure that the recommendations of the report are fully implemented.

The changing nature of housing need in the district has implications for the way in which EKH delivers services to tenants. More vulnerable households are accommodated within the stock and many of those in greatest housing need have led unsettled lives, never managed a home and need support to sustain a council tenancy.

One major symptom of these changes is an increase in the number of complaints about anti-social behaviour (ASB) in 2017/18, especially noise, harassment and threats, criminal damage, and drugs related issues. This increase is partly due to improvements in the way that EKH registers and monitors incidents, but there is an increase in the number and complexity of cases. A disproportionate number of cases relate to households who moved into their accommodation within the previous 2 years. Tenants who have been homeless account for almost 20% of ASB cases, but make up less than 0.5% of all tenants.

EKH has established a specialist team to deal more effectively with ASB in partnership with the Police, Social Services and the Community Safety Partnership. Feedback from residents has been positive. The evidence reinforces the value of EKH's Tenancy Sustainment Team and points to a growing need for more intensive housing management services, which will inevitably increase costs.

Furthermore, the acquisition of new stock, the reviews of outmoded accommodation and services, active asset management, plus systemic changes by other agencies, such as Social Services and higher thresholds to access support services all add to the complexity of housing management and place more pressure on EKH, challenging its

culture, capacity and capability to become an agile organisation that thinks strategically and proactively.

In addition to EKH's management fee, the HRA pays other council services £1.1 million for management and support services. These charges need to be reviewed to ensure that they are accurate and provide value for money.

In late May 2019 it emerged there were serious issues of non-compliance with regards to EKH's management of gas safety across East Kent's council housing stock. Subsequently it emerged that there were further cases of potential non-compliance with regards to other areas of safety work.

Within the context of this serious issue and more general concerns regarding the performance of EKH, a report will be prepared for October 2019 on the wider issues of housing management for this council and to commence consultation with the council's tenants as soon as practicable on withdrawal from EKH, including the option of bringing the housing management function back within the council's control.

We will:

- Support and monitor the implementation of the EKH Improvement Plan.
- Clarify the roles & responsibilities of client organisations and EKH.
- Develop specifications for intensive housing management services.
- Appraise our options for the future of housing management and maintenance if we withdraw from EKH.
- Review support service recharges by the council to the HRA.

2.7. Property condition, repairs and maintenance

2.7.1. Capital maintenance programme

Current context

Repairs and maintenance of the housing stock is managed for the council by EKH. The capital maintenance programme budget for 2019/20 is £6.9 million. The figure is high because we have committed £3.5 million for fire precautions and fire suppression systems, £1.9 million of which is programmed in 2019/20. £321,000 has also been brought forward from 2018/19 to remove obsolete community alarm equipment from designated older persons accommodation and replace with individual telephone-based alarms.

A condition survey of 30% of the housing stock was conducted in 2016 and the results were extrapolated across the whole stock. At that time it was estimated that 96% of properties met the Decent Homes Standard, although the number fluctuates as some components are renewed and others become due for renewal. We want to be as close to 100% compliance as possible. If financially viable, we would like to better the Decent Homes Standard so that we can provide homes that people want to live in

and protect the council's long term investment. The draft Asset Management and Disposal Strategy (Appendix F) sets out the findings of the stock condition survey, its energy efficiency and the proposed levels of investment our stock requires. It is attached as background information only.

Planned capital programmes of maintenance and renewal provide better value for money than ad-hoc revenue repairs. The stock condition data should inform the investment plan to create five-year rolling programmes and annual programmes. The stock condition survey estimated a need for capital investment of approximately £5.25 million per annum for the first five years: £6 million per annum for the subsequent five years, with further increases in years 11 to 15.

This is higher than the projections provided by EKH for the HRA Capital and Revenue Budget 2019/20, which shows the capital maintenance programme reducing to about £4.6 million per annum from 2020/21, and increasing gradually each year thereafter. The discrepancy is because the draft Asset Management and Disposal Strategy recommends the adoption of a level higher than the Decent Homes Standard (termed Decent Homes Plus). However, the enhanced standard is not affordable in the HRA's current financial situation, nor is it a realistic aspiration until we achieve full compliance with the Decent Homes Standard.

The accuracy of the investment requirements in Appendix F is doubtful, given the failure to produce timely specifications and tender documents for procuring the capital maintenance programme over several years. We are concerned about the impact of this on the standard of our homes and the quality of life of the residents. Therefore, we need an urgent reassessment of the draft Asset Management and Disposals Strategy to take account of the increasing maintenance backlog, the effect on the condition of our stock and the cost of achieving the Decent Homes Standard.

Improving the specification and procurement processes and contract management are core elements of the EKH Improvement Plan. The current situation makes it very difficult to reconcile the annual budget, actual expenditure, the financial modelling of the business plan, or effectively plan the timing and amounts of our capital financing programme.

2.7.2. Revenue repairs

Current context

The majority of the response and void works should be delivered through a 'Price Per Property' (PPP) contract. In 2019/20, the budget for PPP is £3.1 million, of a total budget for day-to-day repairs and revenue planned maintenance of £6.9 million, about £1345 per property. £3.8 million of expenditure additional to the PPP contract is extremely high and is evidence that our current PPP contract does not effectively manage revenue repair costs.

Revenue costs are so high partly because capital maintenance contracts have not been procured on time. The combined 2019/20 budget of capital and revenue maintenance expenditure of £13.9 million is unsustainable. The planned maintenance programme must become more effective to reduce the cost of responsive repairs: this is a vital element of the EKH Improvement Plan.

We will:

- Require EKH to prepare specifications and procure key contracts for planned maintenance and capital improvement programmes within agreed timescales.
- Ask EKH to reassess the draft Asset Management & Disposals Strategy to:
 - Take account of the maintenance backlog caused by failure to fully procure the capital maintenance programme.
 - The effect on the condition of the stock.
 - How to achieve 99% compliance with the Decent Homes Standard.
 - A costed programme to remedy the situation.

3. Making the most of our assets

Current context

We need to make the most of all HRA assets - residential properties, hostels, garages, estate facilities, land and shops - to make sure that they are fit for purpose, contribute to our strategic outcomes, reduce unnecessary expenditure and generate income. In the past we tended to avoid difficult decisions about period properties that needed expensive upgrading, sold plots of land at modest prices and did not implement land use studies. However, since 2018 we have adopted a more commercial, proactive approach to asset management.

3.1. Housing assets

Current context

Our core product is good quality social housing for people with limited incomes that meets clearly defined housing needs. Some accommodation does not fit our requirements nor the aspirations of our clients, particularly some older persons properties, sheltered housing, hostels and period buildings, which are often small, poor quality, unpopular, difficult or expensive to manage and maintain. We are starting a programme of asset reviews and are keeping all our options open, including retention, acquisition, development, investment, intensification, disposal or change of purpose. Any capital receipts will be reinvested in the HRA to help fund the delivery of this business plan.

Current housing asset review programme:

- Sale of The Hoystings, a Listed building that required enormous capital investment for £822,000 in early 2019. This established a process and principles for appraising assets.
- Concluded that the conversion of our hostel at 22/24 Old Dover Road, Canterbury into one-bedroom flats is not financially viable, clearing the way for an options appraisal into its long-term future.

- A review of HRA land to identify development and disposal opportunities will be completed in Spring 2019. The review comprises of 154 plots: 53 identified in previous studies as worthy of second review, 24 HRA garage areas with less than 50% occupancy and 77 areas of open land in housing areas. Sites were inspected during April 2019, scored against consistent, objective criteria, the results analysed and an outline action plan in place by June 2019.
- A strategic review of Sheltered Housing Plus that may identify opportunities to repurpose or redevelop sites will conclude in 2019.
- Reviews of designated older persons, sheltered schemes, hostels and shops to follow.

Asset reviews are primarily driven by the council, but we expect EKH to make an active contribution, using their experience to identify assets for review, provide background data and participate in the process. The draft Asset Management and Disposal Strategy (Appendix F) sets out the principles for stock retention and disposal and is attached for information pending further data.

3.2. Non-residential HRA assets

Current context

In addition to our housing stock, the HRA has many non-residential assets: garages, neighbourhood centres and shops.

3.2.1 Garages

Current context

The largest numerically is our portfolio of 1231 garages. The average net weekly rent per garage in 2017/18 was £8.13. In March 2019 911 were occupied, generating an estimated income of approximately £370,000 per year. The annual recommended repair allowance is £150 per garage per year.

A further 277 garages are vacant, awaiting various works, ranging from £2,500 to £7,000 per garage. In the light of the low weekly rents, it is difficult to justify expenditure of this scale. EKH proposes a detailed review of each site and will present recommendations about their cost effectiveness.

43 garages are considered unsafe. 30 garages at 290–322 Knight Avenue have been empty for several years. This site is included in the HRA land study (Section 3.1). 13 garages at 42–54 Warwick Road have also been empty for several years. We have planning permission to build eight flats on this site and is included in the indicative development programme in Section 4.

3.2.2 Neighbourhood Centres

Current context

There are two neighbourhood centres in the district that are owned and fully funded by the HRA and managed by Community Services. In 2019/20 Spring Lane, Canterbury will cost £63,800 and Lucerne, Whitstable £60,055. In addition, the HRA makes a financial contribution of £6,000 per annum to both the Thanington Resource Centre and Querns Neighbourhood Centre. However, tenure patterns and demographics have changed since the introduction of RTB in the 1980s. The centres need to be reviewed to establish whether there is still a community need, with a full options appraisal on value for money. If retained, the assessment criteria for funding the centres should more closely reflect our wider strategic grants process.

3.2.3 Commercial premises

Current context

The HRA owns 18 commercial premises, mainly shops, some with office or living accommodation above. Originally these were intended to help support new communities when our housing was first built. Over time, neighbourhoods and shopping habits have changed, and the commercial viability of some premises is doubtful. Their financial viability, social benefits to the community and contribution to the local economy will be reviewed and subject to a full options appraisal by 2021.

We will:

- Complete the 2019 review of HRA land. Prepare an action plan of sites for council housing development, sale to neighbouring owners, private developers or for self-build.
- Complete the reviews of designated older persons accommodation, sheltered housing, Sheltered Plus and hostels.
- Develop a cross-service process to identify all residential properties that are not fit for purpose, expensive to maintain, have poor thermal performance, non-traditional construction, or period properties and undertake options appraisals for their future.
- Review the purpose and role of the HRA funded Neighbourhood Centres to establish whether there is still a community need with a full options appraisal on value for money.
- Review the financial performance of HRA commercial premises, assess their social benefits, their contribution to the local economy and alternative property solutions.

4. Our development aspirations

Current context

Our social housing provides a lifeline for many households who cannot afford to rent or buy a home on the open market, and need outstrips supply. Our long term aim is to increase our housing portfolio. However, our immediate objective is to counteract the long-established decline in council housing caused by RTB and keep our housing numbers at their current level. We aim to build good quality, desirable homes and neighbourhoods without undermining the financial sustainability of the HRA.

The council has several vehicles for housing development and selects the most suitable for each project:

Development vehicle	Project type
● HRA	Social or affordable housing
● General Fund	Regeneration of non-HRA council assets
● Canterbury Local Property Company	Commercially-oriented housing or property ventures
● Canterbury Lettings	Social lettings agency managing rented properties on behalf of private landlords as an alternative way to meet housing need

Each vehicle has a distinct yet complementary function, and the HRA is the primary candidate to buy the affordable housing elements of developments undertaken by the General Fund or the property company.

As explained in Section 2.5, the HRA is concentrating on its core business of good quality rented homes at affordable prices because demand far exceeds supply. Also, to avoid duplication of effort, we do not intend at present to develop shared ownership properties, as these are provided by Registered Providers (RPs). Shared ownership is often seen as a way to cross-subsidise the construction of rented housing, however, it is not risk-free and requires knowledgeable staff, legal and financial resources to support it, which the council does not currently possess and would have to be factored in to the financial viability modelling.

Restarting a development programme after many years reductions is not easy: the capacity and expertise was no longer available in-house and had to be rebuilt. Initially, the quickest and easiest way to increase our stock was to buy former council properties on the open market. It required minimal resources and could start immediately. In three years from 2015/16 to 2017/18, we bought 47 properties for just under £10 million.

This was a good starting point, but it was reactive to the market, which made it difficult to take a strategic approach to the size, type and location of our purchases. Therefore, in 2018 we invested £22.2 million buying purpose-built student accommodation in the Parham Road area of Canterbury for conversion into 61

self-contained houses and flats. £5.3 million will be spent in 2019/20 to remodel the properties and buy 20 more studio flats with associated land in the same street.

We are creating a programme to counterbalance the properties we are obliged to sell under RTB, an average of 27 per year, by a mixture of new building, acquisition or repurposing of existing assets. This requires an initial investment of approximately £6 million per annum, increasing annually with inflation. We can only do this if we put the basic elements in place: land, money, planning, financial viability and a team.

Summary of our strategy for developing HRA homes

Short term - 1 to 5 years:

- A. Complete the remodelling of the properties in Parham Road in 2019/20.
- B. Implement the planning permissions that we already have for the former site of the Sturry Road Social Club in East Street, Canterbury (10 bungalows) and land adjacent to 64 Warwick Road (8 flats). The design of the flats needs to be reworked to make it more cost effective.
- C. Implement the findings of the LGA-funded study by consultants Altair for 19 plots, which should produce 53 flats and houses at an estimated cost of £8.3 million. This is subject to satisfactory financial viability studies and planning permission. These have been factored into the indicative development programme in 2021/22 - 2022/23.
- D. Complete the review of 154 plots of HRA land to identify development and disposal opportunities in Spring 2019. The review comprises: 53 identified by Altair as worthy of review, 24 garage courts and 77 grassed areas in housing areas. The project commenced in April 2019 and an action plan in place by Summer 2019.
The sites are “free”, as we already own them, but tend to be relatively small, lack economies of scale, and are a finite resource. Additional costs may be offset by geographically grouping sites into single projects and/or combining them with the 19 sites in Point C above.
This review is the start of a continuous process of actively managing our assets.
- E. Buy the S.106 affordable housing contribution of General Fund regeneration projects: 5 houses at Kingsmead Field, Canterbury (due June 2020) and 10 flats at The Tivoli, Herne Bay (due March 2021).
- F. Outside the HRA, the General Fund is buying 10 properties to use as Temporary Accommodation in 2019/20.

Medium term - 5 to 15 years:

- G. Buy groups of properties designed to our specification from developers on Local Plan sites. This will also encourage developers to bring sites forward.

Long term - 10 to 15 years onwards:

- H. Regenerate poorly performing HRA accommodation, increasing density and introducing market tenures to cross-subsidise council homes. These projects will be complex, requiring considerable consultation and community engagement. Buying properties sold under Right to Buy, either by agreement or compulsory purchase will have to be factored into the financial viability modelling.

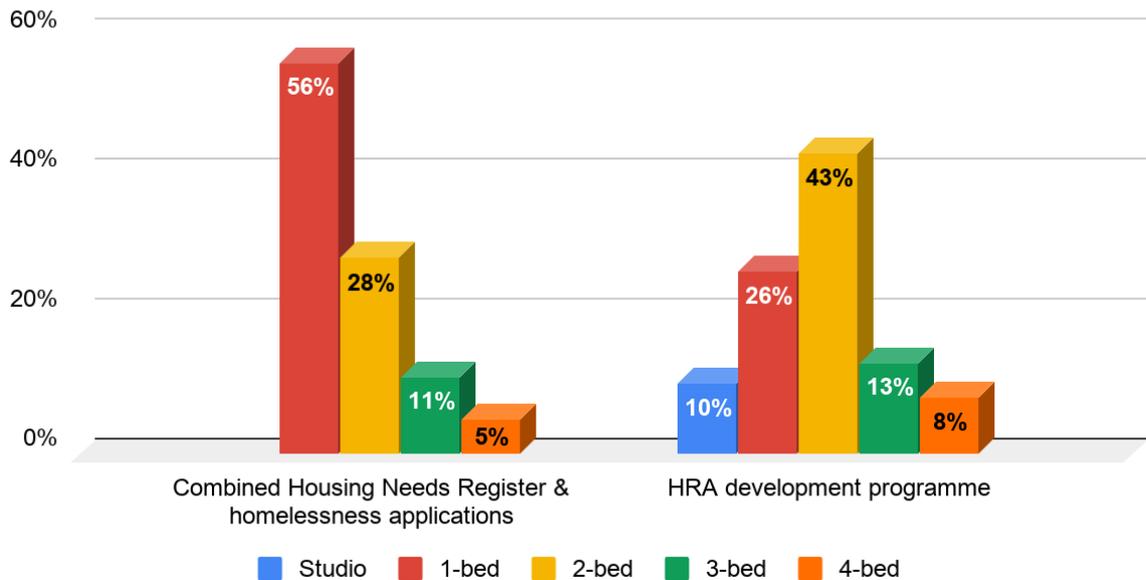
Table 2 summarises the completed acquisition programme and the indicative development programme at 31 March 2019. Over the lifetime of the whole programme, this equates to an average of 26 additional properties per year, very close to our proposed target of 27 per year.

Table 2	Completed acquisition programme				Indicative development programme (subject to financial viability)				Total
	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	
Property type									
Studio					22				22 (10%)
1 bed flat	1	4	2		15	8	25		55 (26%)
2 bed flat	3	8	6		21	2	3	8	51 (24%)
3 bed flat					4				4 (2%)
2 bed maisonette			5						5 (2%)
2 bed house	1	1	1			2	21		26 (12%)
3 bed house	6	2	5		3	3	4		23 (11%)
4 bed house			1		16				17 (8%)
2 bed bungalow	1						10		11 (5%)
Total	12	15	20		81	15	71		214
Comments				Bought 61 properties in Parham Rd. Shown in column for 19/20 when remodelling due to be finished.	Purchase of 20 studios due at Parham Road plus conversion of 61 homes from 18/19.	10 flats at The Tivoli 5 houses at Kingsmead Field	Includes 10 homes at Sturry Road Community Centre	Includes 8 flats at land adjacent to 64 Warwick Rd	Average 26 per year.

The programme is based on current information and is subject to getting the HRA's finances onto a stable, sustainable footing (as explained in Section 3), financial viability assessments, securing grant, capital funding and planning permissions. Other options may arise and circumstances may change, for example, CDS Cooperatives have expressed an interest in undertaking a more intensive community-led housing development on the site of the former Sturry Road Community Centre, subject to planning and clarification about who would be eligible for the accommodation. If this comes about, it would no longer be an HRA development, but would still provide valuable Affordable Housing for the district.

We want the development programme to correlate with housing need in terms of the number of bedrooms required by households (Section 2.4). Chart 4 shows that the combined number of new studios and 1-bedroom properties falls short of need, whereas we will be able to produce a higher proportion of 2-bedroom properties. We will look for opportunities to rebalance the programme to provide more one-bedroom properties, over its lifetime.

Chart 4: Comparison of acquisition & development programme to housing need by bedroom number



In addition to the HRA acquisition and development programme, the General Fund is investing £1 million in 2019/20 to acquire homes for use as Temporary Accommodation, reducing our expenditure on expensive privately rented properties.

The council recognised it needed to increase its capacity and capability to build more homes, which is being managed and delivered by the Property and Regeneration service, formed early in 2018.

We will:

- Adopt the proposed strategy for developing HRA homes.
- Ensure that the size and type of our new homes reflect housing needs, subject to financial viability, planning and any complementary developments by RPs.

5. Financing the HRA

Current context

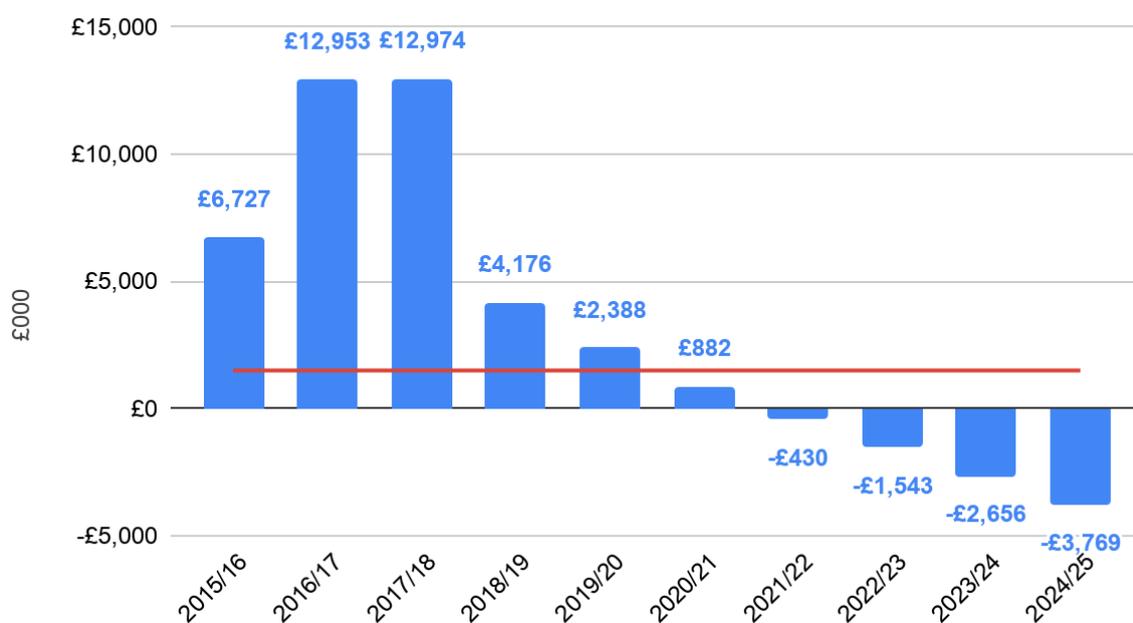
The HRA budget of 2019/20 projects a deficit of £5.8 million: the fourth annual deficit budget since 2015/16 for the reasons explained in Section 2.7. However, failure to fully procure contracts for the capital maintenance programme has resulted in underspends, rather than the expected deficits, enabling money to be transferred to the working balance. In one respect this is welcome, but it is extremely difficult to properly plan our finances and capital borrowing requirements. Table 3 compares the budgets to actual outturns between 2015/16 and 2018/19, and the direction of travel from 2019/20 to 2022/23 based on current estimates.

Table 3: The effects of deficit budgets on HRA working balances								
	Actuals (£000)				Estimates (£000)			
Financial year	2015/ 16	2016/ 17	2017/ 18	2018/ 19	2019/ 20	2020/ 21	2021/ 22	2022/ 23
Budgeted deficit	714	1,779	964	5,207	5,788	1,506	1,312	1,113
Actual deficit/ (surplus)	(133)	(6,226)	(21)	3,798				
Use of working balance for capital				5,000	(4,000)			
Working Balance 31 March	(6,727)	(12,953)	(12,974)	(4,176)	(2,388)	(882)	430	1,543

The Council is legally not allowed to set an HRA budget with a negative working balance. Therefore, the first task of this Business Plan is to return the finances of the HRA to a stable positive footing by improving procurement and contract management, controlling expenditure, especially on maintenance, and increasing income. Until this is achieved, the financial viability of the HRA is at risk and we will be unable to realise our development ambitions. Once the budget deficit is resolved, we will be in a better position to progress development plans.

Chart 5 shows the working balance actual and forecast position compared with a reasonable working balance of £1.5 million. To start bringing the HRA working balance up to this level, it is estimated that new, ongoing savings of £400,000 a year will be required in 2020/21, 2021/22 and 2022/23 (total savings of £1.2m across those three years).

Chart 5: Actual and forecast HRA working balances



5.1. Revenue funding

Current context

Increasing our income from all sources is important to the success of this Business Plan.

Table 4: The total budgeted revenue income for the HRA in 2019/20 is:	
Dwelling rents	£22,530,089
Non-dwelling rents	£479,965
Leaseholder charges for services & facilities	£250,000
Other charges for services & facilities	£1,388,317
Total income	£24,648,371

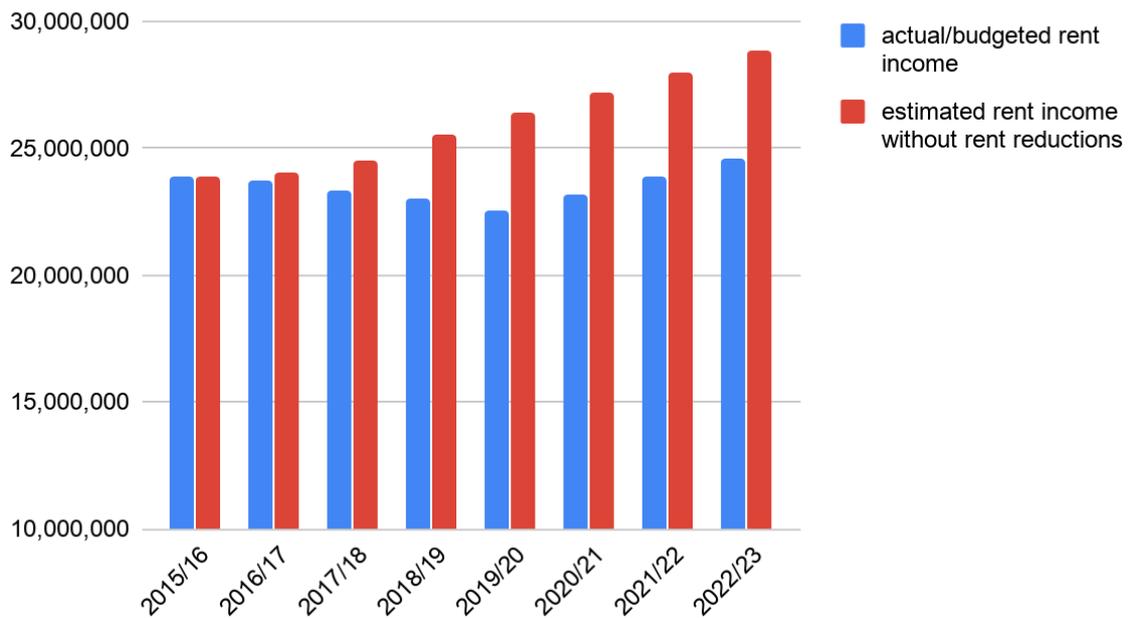
5.1.1. Rents

Current context

Rent is our main source of revenue, but mandatory rent reductions of 1% per annum since April 2016 have significantly eroded our income, weakening the HRA's financial position. As a result of this policy we will receive £659,000 less rent in 2019/20 than 2018/19. The compounded effects of the four-year rent reductions equate to a 12% loss of rental income in real terms by 2019/20. If the rent cuts had not been imposed, income from rents would have been around £4 million higher in 2019/20 and by 2022/23 the cumulative shortfall since 2016/17 will amount to around £20million (see Chart 6).

The Government-imposed cuts overturned the 2015/16 policy restricting social rent increases to Consumer Prices Index (CPI) plus 1% for a period of 10 years. That arrangement was intended to provide certainty about future revenues, enabling the development of long-term business plans and investment in new homes. In 2018 the Government announced that the council can increase rents from 2020/21 by CPI plus 1% per year for five years. This provides a degree of reassurance for financial planning in the short term, but no clarity thereafter. It also does not allow the Council to recover the increases forgone in previous years.

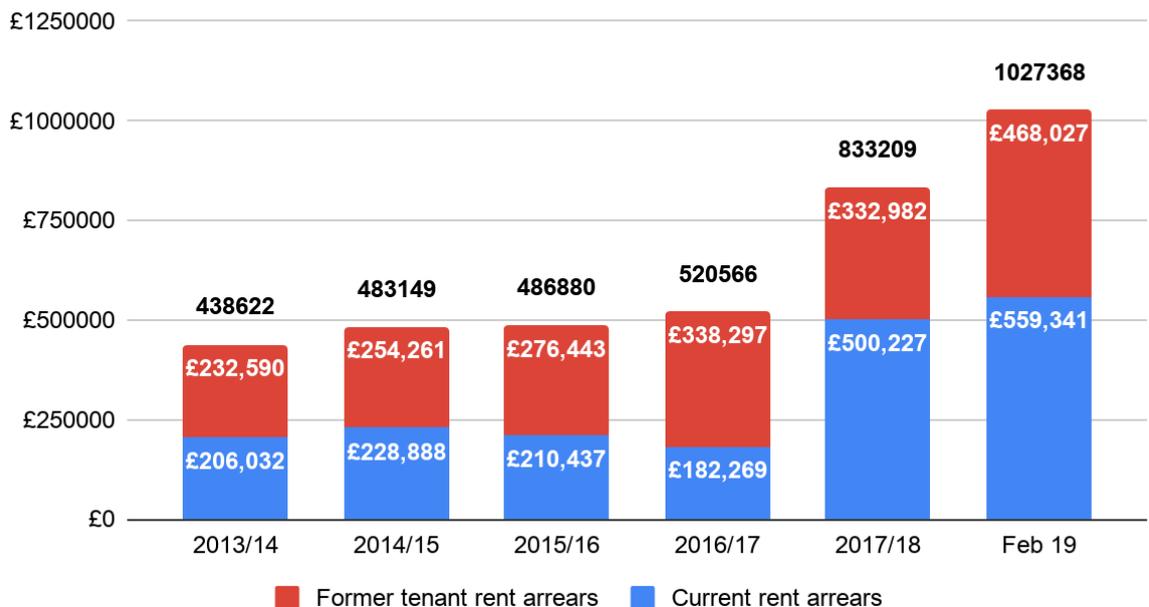
Chart 6: Shortfall in rental income due to imposed rent reductions



Rental income is also threatened by RTB sales. In recent years, an average of 27 properties have been bought by tenants each year, with a further 35 properties sold in 2018/19. Assuming that each one was subject to the average weekly rent of £90.82, this equates to a reduction in income of £158,935 over a full financial year.

Worryingly, at a time when our main source of income is decreasing, current tenants' rent arrears, former tenants' rent arrears and rent lost through vacant properties are all rising. Rent collection, arrears and void maintenance are EKH functions and features in the EKH Improvement Plan, particularly in relation to Universal Credit.

Chart 7: Rent arrears 2013/14 to February 2019



At the end of 2017/18, our rent arrears were 1.94% of the gross annual debit. By 31 December 2018, this had risen to 2.24%. In January 2019, gross current tenant

arrears had risen to £559,341. The introduction of Universal Credit (UC) in 2018 is also starting to affect rent arrears, with 314 households owing £159,586 at 31 December 2018 (included in the figure of £559,341). We expect our current arrears to reflect the experiences of other local authorities where the introduction of UC is more advanced.

Universal credit case studies

Dover District Council: Implementation of UC is further ahead than Canterbury. Rent arrears rose from 1.02% of gross annual debit in 2016/17 to 2.75% at 31 December 2018.

Source: Dover District Council Performance Report For the Quarter Ending – 31 December 2018

Flintshire Council: Tenants on UC owed on average four times as much rent as those on the old benefits. At times it has been even higher; in September 2018 it was six times as much. In the 18 months since UC was introduced, Flintshire's rent arrears have increased by £1m, largely as a result of the new benefit.

Source: BBC Panorama 12 November 2018

London Borough of Southwark: Among the first places in the country to see UC full service roll out. Accumulated arrears for UC tenants rose to 14% of the rent payable by affected tenants, compared with a 5% overpayment for tenants claiming HB.

Lessons from Southwark

- Rent arrears increased with the introduction of UC.
- Rent arrears were highest at the start of UC claims.
- Arrears for UC claimants were larger than those on Housing Benefit (HB).
- UC claimants were likely to have higher arrears than those on HB.
- A relatively small number of large debts accounted for most arrears. The top fifth of those in arrears collectively owed over half of the arrears
- Arrears fall as a percentage of total rents owed with time, but are then persistent.
- Alternative Payment Arrangements direct to the council have a beneficial impact.
- Multiple UC claims by individuals with changing circumstances significantly affect arrears.

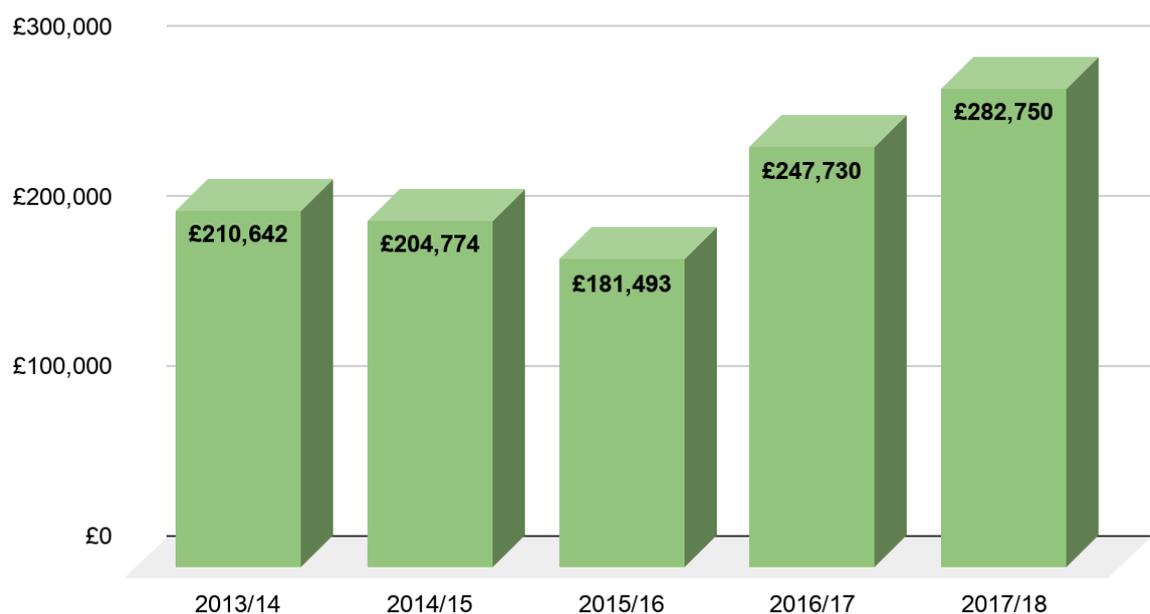
Source: Safe as Houses 2: a follow-on report into the impact of Universal Credit on Southwark Council's housing tenants rent payment behaviour. A report by Smith Institute published in November 2018

This evidence indicates that rent arrears are likely to increase significantly as a result of UC. For 2019/20, the provision for bad debts has been increased by a small amount and will be kept under review, but it is apparent that EKH must develop a strategy urgently to support UC claimants through the application process, prioritise rent payments, ensure that money and benefits advice is available to maximise tenants' income, and put in place effective processes for Alternative Payment Arrangements and rent recovery.

In addition, former tenants arrears are £332,982 in 2017/18. The combined total of current and former tenant arrears owed to the council is over £892,000. Recovery of former tenant rent arrears is the responsibility of the council's Legal Services, whose performance will be examined.

Rent lost on vacant (void) properties is also increasing (Chart 8) because of longer void periods, partly because of unpopular and unaffordable older persons' accommodation. (Sections 2.4 and 3.1 explain the context and proposed actions to deal with unpopular older persons housing). However, this is an extremely worrying trend at a time of severe housing shortage and requires investigation into the efficiency and effectiveness of void property management and maintenance and the quality of relets, with appropriate corrective action.

Chart 8: Rental income lost on vacant properties 2013/14 to 2017/18



In principle, we need to look at the levels of rent we charge our tenants. At present, social rents are too low to form the basis of long term investment decisions. Section 2.8 on our development aspirations proposes charging Affordable Rents to fund a viable development programme. Data compiled by the Regulator of Social Housing shows that the average Affordable Rent charged by housing associations in Canterbury District was £142.63 per week at 31 March 2017, compared to the council's average social rent of £90.82 per week.

The adoption of Affordable Rents would give the council the choice to convert social rent properties to Affordable Rents as they become vacant. Affordable rents, inclusive of service charges, are capped at 80% of market rent or the Local Housing Allowance Rate, whichever is lower.

Table 5: Comparison of weekly social rent and Affordable Rent charged by local housing association

Average CCC social rent	£90.82
1-bed	£123.86
2-bed	£159.46
3-bed	£185.86
4-bed	£280.60

This would affect only new, not existing tenants. In 2017/18, 246 of the 336 properties relet were general needs and the financial benefit to the HRA of converting to Affordable Rent is shown in Table 6.

Table 6: Illustration of the additional income generated for the HRA if vacant social rent properties are converted to Affordable Rent

Rent model	Weekly rent	Annual income generated by 246 properties	Annual difference +/- compared to social rent
Average social rent	£90.82	£1,117,086	Nil
Affordable Rent at 60% of market rent (for 2-bed property)	£124.00	£1,525,200	+£408,114
Affordable Rent at 80% of market rent	£166.00	£2,041,800	+£924,714
Local Housing Allowance rate	£154.82	£1,904,286	+£787,200

This illustration shows the effect of the proposed policy change over a full year, which is significant, increasing each year as more properties become vacant.

Research by the Joseph Rowntree Foundation published in July 2018 found that Affordable Rents for typical two-bed properties are 30% more expensive than social rents. On average this is £1,400 per year across England as a whole, rising to £2,000 per year in parts of the South East.

The choice is complex. Conversion to Affordable Rents would enable the council to invest more in its existing stock and new homes. However, our accommodation must remain within the financial reach of the poorest people in our district. We do not want to make households reliant on benefit to cover their housing costs, nor deter under-occupying tenants from downsizing, but we need to charge rents that reflect the true cost and value of providing homes and maintaining them to a good standard.

Recent reports state that some RPs propose to stop converting vacant social rent properties to Affordable Rent. However, their financial situation is very different from ours. Therefore, this Plan proposes a full review, options appraisal and report to councillors on our rent setting policy for our existing homes during 2019/20.

5.1.2. Other charges for services and facilities

Current context

Service charges are primarily levied for services provided in blocks of council-owned flats. Government guidance encourages the council to keep service charge increases within CPI (2.4%) plus 1%. In 2015/16 Council adopted the principle of recovering the actual cost of services. If service charges are not in line with actual spend they will be raised by CPI plus 1% plus up to a further £1 per week.

Several years ago the council separated out service charges for lighting and cleaning of communal areas in blocks of flats and hostels (a process known as unpooling). EKH should calculate the actual cost of these services each year, but has not done so, supplying estimates only. EKH must develop a process to ensure that residents are charged the real cost of these services.

There are other large expenses, such as grounds maintenance (£553,000 in 2019/20), which are not charged out to residents and are paid by the HRA. Assessing the true cost to individual blocks will be a resource-intensive exercise, but it will enable us to charge leaseholders of flats, as well as council tenants, for this service. However, many freeholders of former council houses benefit from the upkeep of communal open space, but cannot be made to contribute.

In March 2018, the East Kent Audit Partnership identified opportunities for the council's Finance Service and EKH to streamline the process for calculating service charges to leaseholders and provide more accurate billing, which will result in a better service for leaseholders and increase income.

We will:

- Require EKH to improve rent collection and arrears, particularly in relation to Universal Credit through the full implementation of the EKH Improvement Plan.
- Restore the HRA account to a sustainable surplus by making new savings or increasing income by around £400,000 per year in 2020/21, 2021/22 and 2022/23.
- Review current arrangements for the recovery of former tenant arrears and appraise opportunities to improve collection rates.
- Investigate the increased losses of rental income on vacant properties. Identify and implement corrective action.
- Undertake a full options appraisal and report to councillors on our rent setting policy.

- Develop a process to ensure that service charges reflect the actual cost of providing the relevant services or facilities.
- Unpool costs for services or facilities that are currently paid by the HRA in general that should be service charges.

5.2. Paying for the capital maintenance and development programmes

Current context

Our capital requirements are divided between the capital maintenance programme and the acquisition/development programme.

	2015/16 budgets	2015/16 actuals	2016/17 budgets	2016/17 actuals	2017/18 budgets	2017/18 actuals	2018/19 budgets	2018/19 actuals
Capital maintenance programme	£7,473,000	£6,401,168	£6,073,202	£4,303,772	£5,351,000	£3,800,309	£7,669,384	£2,248,065
Acquisition & development programme	£2,006,599	£2,723,280	£3,000,000	£2,744,411	£3,500,000	£4,133,011	£25,050,000	£22,167,999
Total capital	£9,479,599	£9,124,448	£9,073,202	£7,048,183	£8,851,000	£7,933,320	£32,719,384	£24,416,064

The actual spend on the acquisition programme in 2015/16 and 2017/18 was enabled by the addition of developer contributions for affordable housing (known as S.106 contributions).

Until 2019/20 the capital maintenance programme was funded from the HRA's working balances. The capital maintenance budget for 2019/20 is £6.9 million, which together with the budget for day-to-day repairs and revenue planned maintenance of £6.9 million is a major cause of the budgeted deficit of £5.8 million and will have to be met using working balances and loans. The background to this situation is explained in Sections 2.7 and 2.7.1. EKH has consistently underperformed on capital maintenance, as Table 7 illustrates, which makes financial planning and capital management extremely difficult. This situation threatens the viability of the HRA.

In 2018 the government unexpectedly removed the borrowing cap which limited how much stock-holding councils could borrow for their HRAs. There are now no restrictions on HRA borrowing, other than our ability to repay the loans and the normal requirements for prudential borrowing. In 2018/19, our borrowing cap was £113.6 million and by 1st April 2019 we had used approximately £91.5 million. This includes £66.3 million of the outstanding balance of our original loan to leave the old centralised subsidy system, borrowing to part-fund our acquisition programme and towards the purchase and remodelling of the Parham properties in 2018/19 and 2019/20.

The acquisition programme and indicative development programme in Section 2.9 is currently expected to produce around 200 additional council homes. The capital cost of a development programme is an enormous financial commitment, subject to financial viability assessments and availability of external funding.

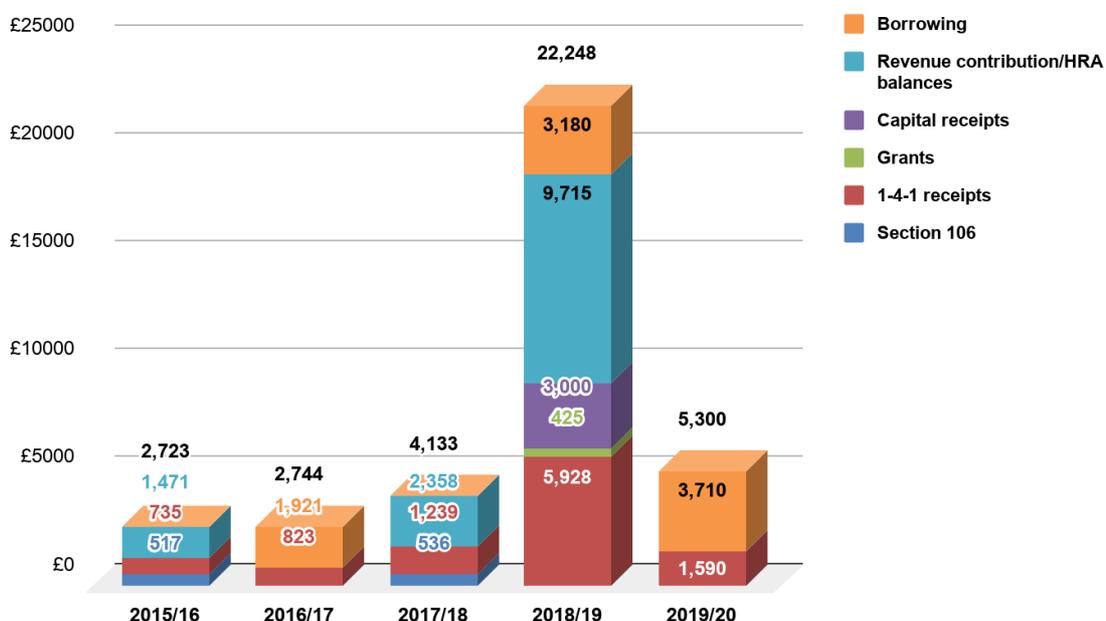
	2019/20	2020/21	2021/22	2022/23
Parham	£5,300,000			
Kingsmead Field		£1,400,000		
The Tivoli		£2,000,000		
Sturry Road			£2,000,000	
Warwick Road				£1,800,000
Altair study			£8,300,000	
Total	£5,300,000	£3,400,000	£3,000,000	£9,100,000

The acquisition programme and Parham Road project were funded by a combination of HRA working balances, capital receipts and grant from Homes England. All HRA capital receipts and retained RTB receipts to date (£10.5million at Quarter 3 2018/19) have been committed to the project.

Our asset management strategy (Section 3), will identify sites for the development programme. Those that are unsuited to housing or estate improvements will be considered for sale and the receipts will be reinvested in the HRA.

The council has a Framework Delivery Agreement for grant funding with Homes England under the Shared Ownership and Affordable Homes Programme 2016 to 2021. Grant was not sought for the acquisition programme because it was 30%-funded by retained RTB receipts, and we are not allowed to use two sources of subsidy for the same properties. As we have spent our RTB receipts, we will strengthen our relationship with Homes England to maximise grant for the proposed development programme.

Chart 9: Funding sources for acquisitions and development 2015/16 to 2019/20 (£000)



All potential housing development must be financially viable to preserve the integrity of the HRA. This is very difficult to achieve: social rents are so low that they limit how much we can afford to borrow and repay for each project. If we want to build more homes for rent, we must consider charging higher rents. Therefore, we propose to charge Affordable Rent on all new developments or acquisitions after the Parham project, which is a social rent scheme. The choice between social rents and Affordable Rents has a direct impact on how much development we can afford, as illustrated in Table 9.

Average social rent	£90.82	£51,800.00	£68,000.00
Affordable Rent at 60% of market rent (for 2-bed property)	£124.00	£84,400.00	£110,700.00
Affordable Rent at 80% of market rent	£166.00	£125,600.00	£164,800.00
Local Housing Allowance rate	£154.82	£114,600.00	£150,400.00

Table 9 shows that Affordable Rent dramatically increases the amount we could borrow, based on PWLB interest rates in June 2019. There would still be a shortfall, as it costs in the region of £200,000 to build a new home, depending on size and

property type. So, we would still have to apply for grant from Homes England and/or use capital receipts.

We recommend adopting Affordable Rents pegged at the Local Housing Allowance Rate. This will enable us to deliver our minimum development programme of 27 properties per year. Charging Affordable Rents on new dwellings reduces the level of grant available from Homes England. However, this is a penalty worth paying, as the capital grant is a one-off payment, whereas the higher rental income will be generated for the 100-year lifetime of the asset. This issue will form an important element of the options appraisal on our rent setting policy (5.1.1).

- Build on all suitable council land to minimise costs.
- Manage our assets to produce capital receipts to reinvest in new stock.
- Use retained RTB receipts.
- Maximise grants from Homes England.
- Charge Affordable Rents for new properties.
- Preserve sufficient capital resources to maintain our existing homes.

6. Listening to our customers

Current context

We want our tenants to feel that EKH and the council listen to their concerns. A tenant involvement framework exists, supported by EKH's Resident Involvement Team.

Resident Scrutiny Panel	All four EK districts	Review and recommend improvements to housing services.
Residents' Panel	All four EK districts	<ul style="list-style-type: none">● Influence service delivery.● Comment on housing related policies and strategies.● Monitor performance data.

Tenant Consultative Group (TCG) CCC

Meet quarterly to discuss local issues from their estates with EKH and CCC Client Officer.

We must be certain that this structure provides tenants with a voice that meets their needs and aspirations and helps us to provide high quality homes and services. This may have financial implications.

7. A coordinated approach

Current context

A fundamental requirement for achieving a step-change in the performance of the HRA is to develop a unified approach to the way it is managed, strategically and operationally. This is necessary because HRA-related functions, responsibilities and authority are located in a number of council services, as illustrated in Appendix G. Therefore, the HRA Management Group will be established under the leadership of the Deputy Chief Executive, consisting of key officers who will ensure the delivery of this Business Plan.

Deputy Chief Executive - Tricia Marshall

Head of Housing and Community - Marie Royle

Strategic Contracts and Commissions Manager - Sarah Randall

EKH Director-level representative

Strategic Housing Manager - Gary Peskett

Senior Accountant - Sam Joiner

The HRA Management Group will not directly manage the relationship with EKH, which is the role of the council's Client Officer. However, the HRA Business Plan encapsulates many important issues that EKH must address to improve its performance and service delivery.

EKH is managed by its own Board with its own governance and tenant involvement frameworks. Current arrangements for liaison and partnership working between the council and EKH are summarised below.

The Owners Committee	Annually or as often as necessary (as per Owners Agreement).
Chief Executives of the four districts meet the Chief Executive of EKH.	Quarterly
S.151 officers meet with the Chief Executive of EKH.	As necessary
Council client officers (known as the Officer Panel in the Owners Agreement) meet with EKH. Strategic Contracts and Commissions Manager attends on behalf of the council.	Quarterly
EKH and council representatives discuss service and budgetary issue, with a particular focus on capital maintenance, contract management and expenditure against budget .	Monthly (as per Management Agreement)
Capital and Revenue Programme, Commissioning and Delivery Group consisting of council client officers and procurement officers and EKH's directors and Procurement Manager to discuss procurement and the capital maintenance programme.	Quarterly across the four districts, monthly at the local level.
Performance meeting between the three directors of EKH and the council's Deputy Chief Executive, Director of Commissioned Services and Strategic Contracts and Commissions Manager.	Quarterly
Ad hoc project meetings for Parham Road, temporary accommodation and other project groups.	As required.
If the HRA Management Group achieves its intended level of effectiveness, the need for some of these other meetings may reduce or cease.	

8. Conclusion

At a time of increasing need and reducing levels of stock, good quality council housing is a valuable social and economic asset to the district. There is support for council housing nationally and locally and the policy environment is encouraging the provision of new council homes. We are keen to play our part and deliver the

council's ambitions to increase our housing portfolio. However, we must balance our desire for new homes with our responsibilities as a landlord and invest in our existing accommodation to ensure that it is safe, well managed and well maintained.

To achieve these aims, we must return the HRA to a stable financial position and support EKH to improve its performance. However, if we are to have a financially viable development programme we have to consider adopting Affordable Rents. We also need to make more effective use of the properties we already own to provide homes for those in the greatest housing need and help to reduce the cost of temporary accommodation to the council. This calls for a reappraisal of our housing policies and processes to ensure that they complement each other and are designed to achieve the same strategic outcomes. We also have to be more agile as an organisation, with closer working relationships across the council and EKH to establish unity of purpose, align policies and processes from which all the other benefits will flow.

Action No.	Action	Start &/or completion dates & monitoring notes	Responsible lead officer
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9. Action Plan: HRA Business Plan 2019

The complexity of the HRA is reflected in this Action Plan, which seeks to address several complicated and difficult areas of housing policy and operations. It comprises 31 actions, 16 will be the subject of separate detailed reports to councillors for decision or monitoring and 11 will require specific public consultation.

Strategic outcome 1: Ensure the HRA's finances are robust and sustainable.			
1.1	<p>Support efforts to improve the performance of EKH by monitoring existing performance measures & implementation of the EKH Improvement Plan, particularly:</p> <ul style="list-style-type: none"> ● Procurement of key contracts for planned maintenance programme. ● Contract management. ● 99% compliance with the Decent Homes Standard ● Rent collection & arrears, particularly in relation to Universal Credit. ● Implementation of the IT single system. <p><i>Monitoring reports and progress will be reported to councillors quarterly.</i></p>	1 April 2019 to 30 Sep 2020	Strategic Contracts and Commissions Manager
1.2	Clarify the roles & responsibilities of client organisations and EKH.	Sep 2020	Strategic Contracts and Commissions Manager
1.3	<p>Appraise our options for housing management and maintenance services if we withdraw from EKH.</p> <p><i>This will be the subject of a separate report to councillors. Proposals to change current arrangements will require consultation with the council's tenants.</i></p>	Commence Aug 2019	HRA Management Group

Action No.	Action	Start &/or completion dates & monitoring notes	Responsible lead officer
1.4	Restore the HRA account to a sustainable surplus by making new savings or increasing income by around £400,000 per year in 2020/21, 2021/22 and 2022/23. <i>The savings will be identified annually in HRA budget report to councillors, which is open to public consultation.</i>	Oct 2019	Strategic Contracts and Commissions Manager, EKH, Senior Accountant
1.5	Review support service recharges by the council to the HRA.	Oct 2020	HRA Accountant
1.6	Appraise options to improve the recovery of former tenant arrears.		Strategic Contracts and Commissions Manager, Strategic Housing Manager
1.7	Investigate increased rent losses on vacant properties. Identify & implement corrective action.	Start April 2020	Strategic Contracts and Commissions Manager
1.8	Review our rent setting policy, including the option of adopting Affordable Rents for <ul style="list-style-type: none"> ● New properties and/or ● Existing properties as they become vacant & report to councillors. <i>Proposed changes may require consultation with the council's tenants.</i>	During 2019/20	Strategic Housing Manager, Senior Accountant
1.9	Develop processes to ensure that service charges are based on actual costs.	By Oct 2020	Strategic Contracts and Commissions Manager, Strategic Housing Manager, Senior Accountant, EKH

Action No.	Action	Start &/or completion dates & monitoring notes	Responsible lead officer
1.10	<p>Unpool costs for services or facilities that are currently paid by the HRA that should reasonably be service charges to residents.</p> <p><i>Proposals will be identified annually in HRA budget report to councillors.</i></p> <p><i>Proposed changes may require consultation with the council's tenants and leaseholders.</i></p>	2020/21	Strategic Contracts and Commissions Manager, Strategic Housing Manager, Senior Accountant, EKH
1.11	<p>Implement the recommendations of the East Kent Audit Partnership report on leaseholder service charges to streamline the calculation process & improve the accuracy of bills.</p>	31 March 2020	Senior Accountant
Strategic outcome 2: Provide safe, decent homes for local people in housing need at prices they can afford.			
2.1	<p>Reassess the draft Asset Management & Disposals Strategy to:</p> <ul style="list-style-type: none"> ● Take account of the maintenance backlog caused by failure to fully procure the capital maintenance programme. ● The effect on the condition of the stock. ● How to achieve 99% compliance with the Decent Homes Standard. ● A costed programme to remedy the situation. <p><i>This will be the subject of a separate report to councillors.</i></p> <p><i>Fundamental changes may require consultation with the council's tenants.</i></p>	By 31 March 2020	EKH, Strategic Contracts and Commissions Manager, Strategic Housing Manager, Senior Accountant
2.2	<p>Reappraise tenant involvement arrangements to ensure that they are fit for purpose & meet the aspirations of our tenants.</p> <p><i>This will be the subject of a separate report to councillors.</i></p>	March 2020	Strategic Contracts and Commissions Manager, EKH

Action No.	Action	Start &/or completion dates & monitoring notes	Responsible lead officer
	<i>Changes will require consultation with the council's tenants.</i>		
2.3	Establish the HRA Management Group to take the strategic & operational lead on HRA issues.	Nov 2019	Deputy Chief Executive
Strategic outcome 3: Focus on the council's statutory housing responsibilities, particularly homelessness prevention.			
3.1	<p>Revise the Housing Allocations Policy & Tenancy Policy to make more effective use of our housing stock to:</p> <ul style="list-style-type: none"> • Meet the demands from the HNR • Help discharge the council's statutory housing responsibilities. • Minimise the use of temporary accommodation. • Make it easier for tenants to move to a larger or smaller home to suit changing family needs. <p><i>This will be the subject of a separate report to councillors. Changes will require consultation with the council's tenants and the general public.</i></p>	Start Sep 2019	Head of Housing and Community
3.2	Ensure temporary accommodation is fit for purpose.		Head of Housing and Community, EKH
3.3	Design policies & inter-service processes for reviewing flexible tenancies.		Head of Housing and Community, Strategic Housing Manager, EKH
3.4	<p>Provide £52,000 revenue funding to support a minimum of 10 households downsizing to more suitable accommodation. Evaluate the project to determine its effectiveness.</p> <p><i>Any proposal to continue will be made in the HRA budget report to councillors.</i></p>	1 April 2019 to 31 March 2020	Head of Housing and Community, Strategic Housing Manager, Senior Accountant

Action No.	Action	Start &/or completion dates & monitoring notes	Responsible lead officer
Strategic outcome 4: Reduce the cost to the General Fund of accommodating homeless households.			
4.1	Reduce dependence on hostels & nightly-paid accommodation by: <ul style="list-style-type: none"> ● Reducing reliance on temporary accommodation outside the district. ● Increasing the amount of temporary accommodation in the district. ● Making more effective use of our housing stock & RPs to rehouse homeless households to whom a duty is owed, more quickly. ● Ensuring that the Housing Allocations Policy & Tenancy Policy are aligned to facilitate this. 	Start Sep 2019	Head of Housing and Community
Strategic outcome 5: Build or buy enough homes each year to counteract the impact of the Right to Buy.			
5.1	Adopt & implement the strategy for developing HRA homes at Affordable Rents. <i>Progress will be reported to councillors.</i>	Nov 2019	Strategic Housing Manager
5.2	Ensure that the size & property type of our new homes reflect housing needs.	June 2019	Strategic Housing Manager
Strategic outcome 6: Proactively manage HRA assets.			
6.1	Review residential accommodation: <ul style="list-style-type: none"> ● designated for older people ● sheltered housing ● Sheltered Plus to assess: <ul style="list-style-type: none"> ○ Need 	April 2020 Sep 2020 Dec 2019	Strategic Contracts and Commissions Manager, Strategic Housing Manager, Head of Housing and Community

Action No.	Action	Start &/or completion dates & monitoring notes	Responsible lead officer
	<ul style="list-style-type: none"> ○ Suitability ○ Options ○ Costs ○ Future strategy <p><i>Proposals will be the subject of a separate report to councillors.</i> <i>Any council tenants affected by specific proposals will be consulted.</i></p>		
6.2	Complete the review of HRA land for housing development or disposal & implement findings.	Start April 2019 to Sep 2019	Strategic Housing Manager
6.3	Review our hostels to determine: <ul style="list-style-type: none"> ● Need ● Suitability ● Options ● Costs ● Future strategy <p><i>Any proposals recommending significant expenditure or disposal will be the subject of a separate report to councillors.</i></p>		Strategic Contracts and Commissions Manager, Strategic Housing Manager, Head of Housing and Community
6.4	Develop & implement a cross-service process to identify & appraise options for residential properties that are: <ul style="list-style-type: none"> ● Not fit for purpose ● Expensive to maintain ● Have poor thermal performance ● Unusual construction ● Period properties <p><i>Any proposals recommending significant expenditure or disposal will be the subject of a separate report to councillors.</i></p>	April 2020	Strategic Housing Manager

Action No.	Action	Start &/or completion dates & monitoring notes	Responsible lead officer
	<i>Any council tenants affected by specific proposals will be consulted.</i>		
6.5	Review HRA-funded Neighbourhood Centres to establish: <ul style="list-style-type: none"> ● Need ● Suitability ● Options ● Costs ● Future strategy <i>Proposals will be the subject of a separate report to councillors.</i> <i>Any proposals will be subject to consultation with affected parties and service users.</i>	Dec 2020	Strategic Housing Manager
6.6	Review the financial performance of HRA-owned commercial premises to assess: <ul style="list-style-type: none"> ● Need ● Social benefits ● Contribution to the local economy ● Suitability ● Options ● Costs ● Future strategy <i>Proposals of any significance will be the subject of a separate report to councillors.</i> <i>Any proposals will be subject to consultation with local residents and affected leaseholders.</i>	Mar 2021	Strategic Housing Manager

Action No.	Action	Start &/or completion dates & monitoring notes	Responsible lead officer
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Strategic outcome 7: Provide good quality generalist accommodation for rent that complements the work of other Registered Providers.			
7.1	Ensure that the development & capital maintenance programmes produce accommodation that is sufficiently flexible to meet the reasonable housing needs of most people.	June 2019	Strategic Housing Manager
7.2	Develop an exit strategy for the provision of all housing-related support to tenants. <i>Relates to Action 6.1 and proposals will be the subject of a separate report to councillors. Proposals will be subject to consultation with affected council tenants, their families and advocates.</i>	Sep 2020	Strategic Contracts and Commissions Manager, Strategic Housing Manager
7.3	Adopt & implement the draft Disabled Adaptations Policy (Appendix D) & continue to fund adaptations at a similar level to the 2019/20 budget figure of £470,000. <i>Proposals are identified annually in HRA budget report to councillors.</i>	Nov 2019	EKH, Strategic Housing Manager
7.4	Develop specifications for intensive housing management services.	Dec 2019	Strategic Contracts and Commissions Manager and Head of Housing and Community

HRA Business Plan 2019

Glossary of terms

Affordable housing	Affordable housing is social rented, affordable rented and intermediate housing, provided to eligible households whose needs are not met by the market.
Affordable Rent	Affordable rented housing is let by local authorities or private registered providers of social housing to households who are eligible for social rented housing. Affordable Rent is subject to rent controls that require a rent of no more than 80% of the local market rent (including service charges, where applicable).
Alternative Payment Arrangements	Payment of housing costs of Universal Credit direct to the landlord for those claimants who cannot manage their single monthly payment and there is a risk of financial harm to the claimant and/or their family.
Borrowing cap	Government-set limit on the amount local authorities were permitted to borrow.
Brownfield site	Previously developed land.
Capital receipt	The proceeds of sale from the disposal of assets such as land and buildings.
Community alarm	Technology that enables the user to call for help in an emergency.
Community-led housing	A local community group or organisation that owns, manages or stewards their homes and in a manner of their choosing.
Consumer Prices Index (CPI)	The Consumer Price Index (CPI) is a measure that examines the weighted average of prices of a basket of consumer goods and services
Corporate Plan	Strategic plan that sets out the vision, ambitions and objectives of the council as an organisation.

Decent Homes Standard	The Decent Homes Standard is a technical standard for public housing that reflects the Housing Health and Safety Rating System (HHSRS) . Properties must be in a reasonable state of repair: have reasonably modern facilities and services: provide a reasonable degree of thermal comfort.
Designated older persons housing	Housing specially designed or designated for older people. May include sheltered housing, extra care housing, retirement housing or clusters of properties solely let to older people.
East Kent Housing (EKH)	A company jointly owned by Canterbury, Dover, Folkestone and Hyth and Thanet councils that provides landlord services for their combined properties.
Flexible tenancy	A type of Secure Tenancy but it only lasts for a fixed period.
Framework Delivery Agreement	The basis of contractual agreements between the Homes and Communities Agency and providers intended to speed up the delivery of new homes.
General Fund	The council's main account detailing its expenditure and income on services, except those arising from the provision of housing accommodation directly by the council.
Homelessness	A term generally applied to households who are homeless or threatened with homelessness as defined by the Housing (Homeless Persons) Act 1977, Housing Act 1996, and the Homelessness Act 2002, which place statutory duties on local housing authorities.
Homelessness approaches	Households that approach the council because they consider themselves to be homeless or threatened with homelessness.
Homes England	The government's housing, land and regeneration agency in England.
Housing Allocations Policy	The set of rules the council uses to decide how to give out its housing.

Housing Benefit	A means tested social security benefit in that is intended to help meet housing costs for rented accommodation.
Housing, Homelessness and Rough Sleeping Strategy	The council's strategic plan for addressing housing, homelessness and rough sleeping in the district.
Housing Needs Register (HNR)	A list of people in housing need who have applied for accommodation and meet the council's eligibility criteria.
Housing Revenue Account (HRA)	A requirement of the Local Government and Housing Act 1989. A ring-fenced account for income and expenditure arising from the provision of housing accommodation under Part II of the Housing Act 1985.
HRA Business Plan	A requirement of Section 88 of the Local Government Act 2003. All stock-owning councils must produce a 30-year strategic plan for the HRA.
General Needs	General family housing and dwellings for singles and couples.
Kent Accommodation Strategy	Kent County Council's strategy which addresses the need for housing, care and support services for adult social care clients who require higher levels of care.
Local Housing Allowance	Used to work out how much housing benefit you can get if you rent privately.
Local Plan	Plan for the future development of the local area, drawn up by the Local Planning Authority. It guides decisions on whether or not planning applications can be granted.
Public Works Loans Board (PWLb)	A statutory body that issues loans to local authorities, and other specified bodies, from the National Loans Fund, operating within a policy framework set by HM Treasury. This borrowing is mainly for capital projects.
Registered Provider (RP)	Defined in the Housing and Regeneration Act 2008. Registered Provider of social housing is a housing association registered

	with the Regulator of Social Housing. Local authorities are automatically registered providers.
Right to Buy (RTB)	Right conferred on Secure Tenants by the Housing Act 1980 to purchase their home as a sitting tenant with a discount.
Secure Tenancy	Council tenancy governed by the Housing Act 1985. Normally a lifetime tenancy which confers certain rights.
Service charge	Charges payable by a tenant or leaseholder to the landlord for the services the landlord is obliged to provide under the terms of the tenancy or lease.
Shared ownership	Leasehold properties, usually provided by RPs, that enable the occupier to buy a percentage share of the property and pay rent for the remainder.
Shared Ownership and Affordable Homes Programme (SOHAP)	Programme run by Homes England to increase the supply of Shared Ownership and other affordable homes in England under which councils and RPs may bid for grant.
Sheltered housing	Accommodation for people over 60 years of age that enables residents to live independently. Properties are usually clustered and may have access to some communal facilities and/or support staff.
Sheltered Plus	Accommodation for people over the age of 60 years that promotes independent living, but provides a more intensive service than sheltered housing including on-site manager, laundry service and on-call night staff.
Social housing	Social rented housing is owned by local authorities and private registered providers (as defined in section 80 of the Housing and Regeneration Act 2008), for which guideline target rents are determined through the national rent regime.
Social Rent	Rent assessed according to a formula set by Government. Equates to about 40% of

	market rent.
Supported housing	Generally a rented dwelling in which the occupier receives care, support or supervision that is linked to their accommodation.
Supporting People Grant	Fund administered by Kent County Council that contributed towards services that provide housing related support to vulnerable individuals to increase an individual's ability to live independently or to maximise their independence. Helped to fund services such as sheltered housing, enhanced sheltered housing and community alarms. Ceased in Kent on 31 March 2018.
Temporary Accommodation	Accommodation is made available to either discharge a statutory homelessness function or prevent homelessness.
Temporary Accommodation Placement Policy	The council's approach to the placement of households in temporary accommodation both inside and outside the district to discharge its duties under homelessness legislation. It also sets out the principles that will apply to recover some of the cost of providing temporary accommodation through reasonable charging, as provided for within the legislation.
Tenancy Policy	Explains the type of tenancies the council will offer and the circumstances under which they will apply.
Tenancy sustainment	Preventing a tenancy from coming to a premature end by providing information, advice, and support for tenants, who are often vulnerable, to be able to maintain their tenancies.
Universal Credit	A social benefit for working-age people, replacing six benefits and merging them into one payment, including Housing Benefit.
Void	Term generally used to describe an empty property.

Appendix B

Actual 2017/18 £	Housing revenue account	Original 2018/19 £	Forecast 2018/19 £	Estimate 2019/20 £	Estimate 2020/21 £	Estimate 2021/22 £	Estimate 2022/23 £
	Income						
(23,166,666)	Dwelling rents	(23,188,645)	(23,188,645)	(22,530,089)	(23,205,992)	(23,902,171)	(24,619,237)
(516,496)	Non-dwelling rents	(588,794)	(514,489)	(479,965)	(494,364)	(509,195)	(524,471)
(263,712)	Leaseholder charges for services and facilities	(190,000)	(270,000)	(250,000)	(257,500)	(265,225)	(273,182)
(1,409,124)	Other charges for services and facilities	(1,426,960)	(1,349,415)	(1,388,317)	(1,429,967)	(1,472,866)	(1,517,051)
(25,355,998)	Total income	(25,394,399)	(25,322,549)	(24,648,371)	(25,387,822)	(26,149,457)	(26,933,940)
	Expenditure						
6,416,066	Self financing debt repayments	6,416,066	6,416,066	6,416,066	6,416,066	6,416,066	6,416,066
6,063,497	Repairs and maintenance	6,756,453	6,559,337	6,896,322	7,103,212	7,316,308	7,535,797
3,894,932	General management	4,101,160	4,109,948	4,197,622	4,323,550	4,453,257	4,586,855
2,113,248	Special services	2,546,765	2,555,050	2,433,288	2,506,287	2,581,475	2,658,919
360,566	Rent, rates, taxes & insurances	350,812	405,812	395,495	407,360	419,581	432,168
229,569	Increase provision for bad or doubtful debts	100,000	100,000	200,000	206,000	212,180	218,545
	Capital financing costs						
3,972,563	Depreciation charges	4,400,631	4,400,631	4,227,261	4,354,079	4,484,701	4,619,242
260,787	External borrowing repayments	260,787	260,787	923,788	923,788	923,788	923,788
20,290	Debt management expenses	40,000	40,000	30,000	30,900	31,827	32,782
23,331,519	Total expenditure	24,972,674	24,847,631	25,719,842	26,271,241	26,839,183	27,424,163
(2,024,479)	HRA services - net income	(421,725)	(474,918)	1,071,471	883,419	689,726	490,222
121,400	HRA share of corporate and democratic core	121,400	121,400	121,400	121,400	121,400	121,400
(1,903,079)	Net operating income	(300,325)	(353,518)	1,192,871	1,004,819	811,126	611,622
260,347	Interest payable (item 8 debit)	261,000	261,000	261,000	261,000	261,000	261,000
(6,818)	Premium on repurchase of borrowing	(4,502)	(4,502)	0	0	0	0
	Interest and investment income						
(32,647)	Notional cash balances (Item 8 credit)	(30,000)	(30,000)	(20,000)	0	0	0
1,660,765	Transfer to/from Major Repairs Reserve	5,280,753	5,280,753	4,354,189	0	0	0
(21,433)	Total deficit/surplus(-)	5,206,926	5,153,733	5,788,060	1,265,819	1,072,126	872,622
(12,953,327)	Balance as at 1st April	(12,974,760)	(12,974,760)	(7,821,027)	(2,032,967)	(767,148)	304,978
0	Transfer from reserves/Borrowing	0	0	0	0	0	0
(21,433)	Deficit/surplus for the year	5,206,926	5,153,733	5,788,060	1,265,819	1,072,126	872,622
(12,974,760)	Balance as at 31st March	(7,767,834)	(7,821,027)	(2,032,967)	(767,148)	304,978	1,177,601

Actual 2017/18 £	<u>Housing repairs account</u>	Original 2018/19 £	Estimate 2019/20 £
2,167,388	Day to day repairs contract	2,192,807	2,318,230
759,284	Service & remedial work	764,025	790,766
346,852	Repairs to buildings	350,000	350,000
59,424	Lift maintenance	68,575	60,000
40,098	Play ground	50,000	41,700
735,168	Voids - PPP	894,233	745,000
314,215	Voids - non PPP	260,000	350,000
664,132	External decorations	785,846	833,351
39,119	Mutual exchanges	35,560	35,000
5,125,680	Total responsive repairs	5,401,046	5,524,047
67,671	Estate & property maintenance	50,800	80,000
26,942	Property protection	30,480	30,000
126,226	Asbestos removal	132,080	135,000
39,733	Sheltered scheme decorations	36,000	25,000
355,938	Cleaning housing estates	356,208	372,875
122,738	Fire prevention	352,505	195,000
87,574	Flytipping	84,126	88,400
100,024	Warden call schemes	50,000	45,000
2,555	Cleaning housing estates non PPP	10,160	5,000
8,416	Fire alarm response	3,048	1,000
0	Electrical testing	250,000	395,000
937,817	Total planned maintenance	1,355,407	1,372,275
6,063,497	Total housing repairs account	6,756,453	6,896,322

Vision



DRAFT

Disabled Adaptations Policy

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1. Executive Summary

East Kent Housing (EKH) on behalf of Canterbury City Council, Dover District Council, Folkestone & Hythe District Council and Thanet District Council (the Client Councils) aim to provide increased alignment to the way that housing adaptations are managed through the Housing Revenue Account (HRA) and the Disabled Facilities Grant (DFG) regimes. The key features of this policy include:

- Greater focus on supporting tenants to consider how their housing needs may be met in the longer term.
- Financial assistance to support tenants with the costs of relocating where needed.
- Support in meeting tenants overall well-being including support for carers, safety in the home, access to welfare benefits, social inclusion and referrals to sensory services and other healthcare services.
- Ensuring adapted properties are let to those in greatest need.
- Ensuring the available budget is used efficiently and that EKH and the Client Councils are able to make best use of the social housing stock.

2. Introduction

The purpose of this policy is to provide one common approach to the management of disabled adaptations delivered on behalf of the four Client Councils by EKH.

This policy standardises procedures across the four Client Councils, including:

- The consideration of tenants adaptations as assessed by a qualified Occupational Therapist registered with the Health & Care Professions Council (HCPC) in the UK
- The financial thresholds and categories for assessed adaptations
- Adaptations that EKH will and will not progress and options for tenants
- Circumstances where EKH are required to refer the adaptations to the Client Council
- Indicative timescales within which work is expected to be carried out
- EKH communication with residents, Occupational Therapists (OTs), Social Services, Client Councils, professionals and other specialist agencies

- The management of waiting lists by EKH (e.g. where there is a high demand for adaptations that exceeds the annual budget)

This policy sets out the parameters within which the Kent County Council Occupational Therapist Team, EKH and the Client Councils will cooperate.

The policy seeks to promote fairness and equality throughout the activities of EKH, regardless of where the applicant lives, their background or circumstances.

3. Policy Aims

The primary aim of the Adaptations Service is to enable EKH and the Client Councils to provide housing which best meets the assessed needs of tenants with disabilities.

This policy supports the best use of financial resources and property assets. This may result in adaptations being declined and the consideration of rehousing options where the assessed need is not capable of being achieved by keeping tenants in the home they are currently living in because of the financial costs, affect upon the future use of the property asset, practicalities of adapting the property and the availability of alternative solutions to the tenants assessed needs.

Adaptations will not be completed where the tenants needs can reasonably be met through rehousing within a 12 month period from the date at which EKH is made aware of the tenants assessed needs.

The policy will also guide Occupational Therapists (OT) and other professionals to understand what EKH and the Client Councils will and will not be able to assist with in terms of adaptations to a tenants home.

EKH aim to operate a service that offers suitable, practical and cost-effective solutions that best meet tenants' assessed needs.

The key principles of this policy are to:

- provide a seamless service that puts tenants at the heart of the process
- offer a range of options for tenants that are both achievable and realistic
- find the best possible solution for tenants to meet their individual needs
- operate legally and according to best practice
- operate within the available budget and provide value for money
- minimise waiting lists and waiting times
- measure the impact of this policy in terms of real outcomes
- work with the Client Council allocations teams to make best use of the housing stock (property assets)

Under this policy EKH will consider solutions that best meet the long-term needs of tenants and their families as a primary objective, ensuring their safety, well-being and quality of life.

EKH aim to ensure that no tenant waits longer than 12 months for an adaptation to be progressed. We will work with the Client Councils to agree appropriate levels of resources to meet this aim.

4. Relevant legislation

In determining this policy, regard has been given to the Client Councils Allocations Policies and the relevant statutory provisions and requirements mentioned in the Care Act 2014, the Equality Act 2010, the Chronically Sick and Disabled Persons Act 1970, the Housing Grants, Construction and Regeneration Act 1996, as amended by the Regulatory Reform (Housing Assistance) (England and Wales) Order 2002.

Section 149 of the Equality Act 2010 imposes a duty on a public authority, where it must in the exercise of its functions, have due regard for the need to eliminate discrimination and promote equality. Necessary and Appropriate, Reasonable and Practicable Works Section 24 of the Housing Grants, Construction and Regeneration Act 1996 places a duty on housing authorities who are not themselves a social services authority to consult the relevant social services authority and to satisfy themselves that the works are reasonable and practicable having regard to the age and condition of the property.

- Assessments are completed by Occupational Therapists (OT's) in line with their good practice guide and a referral is submitted to EKH detailing the nature of the works required. Each case will be individually assessed on its own merits and EKH decides what is reasonable in the light of its need to make housing available to a wide range of people in need, over the long term.
- It is not considered reasonable to carry out adaptations that; require structural alteration to the property (beyond that of widening door openings and removal of non-load bearing internal walls), involve alterations to the common parts of blocks of flats that will impact the use of these areas by residents of the block, require alterations to services that are communal to any block of flats (with the exception of door entry systems), involve the installation of flush floor showers and wet rooms to flats above the ground floor of a block of flats, limit the future use of family housing to households with disabilities and EKH will support such families to move to suitable accommodation.
- Reasonableness also relates to cost, and where the particular construction type of a property makes it excessively costly to adapt, EKH will refuse the

adaptation in favour of offering alternative housing that meets the applicants needs or which can be readily adapted at a lower cost.

5. Definition

The Equality Act 2010 defines a disabled person as someone who has a physical or mental impairment which has a substantial and long-term adverse effect on his or her ability to carry out normal day-to-day activities.

A long-term adverse effect refers to disabilities:

- That have lasted for at least 12 months
- The effects of which will last for at least 12 months
- Which are likely to last for the remainder of a person's life

Occupational Therapists (OT) and other professionals are required to confirm that all three criteria apply to each assessment submitted to EKH for consideration.

6. Adaptation Process Overview

In order for adaptation work to be carried out, tenants must request a referral to an OT approved by KCC Social Services. The OT will assess the level of disability need and a referral must be sent to EKH to be processed. This referral and any supporting information must be sent by a secure method of communication. Where information is communicated electronically this must be password protected. In some cases the OT will request a joint visit with EKH in order to look at the feasibility of a proposal they wish to recommend.

EKH will categorise assessments as follows:

- **Minor Adaptations** – works of £1,000 and under and stairlifts up to £5,000 are considered routine and are progressed in referral date order within 3 months
- **Major Adaptations** – works over £1,000 are sub-categorised by the OT as either 'critical' or 'substantial'. These are reviewed monthly with 'critical' taking higher priority

'Critical' major works will be carried out as soon as possible and are intended to be progressed within 6 months. 'Substantial' (and therefore not critical) major works will be put on a waiting list and carried out the order received by EKH, these are intended to be progressed within 12 months.

Performance of the contractor will be monitored through customer satisfaction surveys and post-inspections to ensure EKH meets its performance targets.

Adaptation budgets and waiting lists will be reviewed monthly with the KCC OT service and reported quarterly to EKH management and Client Councils.

7. Examples of Work that will be carried out by East Kent Housing

The following is a list of examples of adaptation work that EKH will carry out to an individual flat or house; this list is not exhaustive:

- Installation of grab rails in various locations throughout a property
- Installation of access steps/ramps to front and rear entrances
- Additional internal banister rails
- Additional external handrails
- Installation of lever taps
- Alterations to the height of electrical sockets and switches
- Fixed aids for visual and hearing impairment (door bells/ fire alarm/ smoke detectors)
- Specialist Equipment (fixed rise/fall baths, shower stretchers, wash/dry toilets)
- Level access shower facilities
- Over bath shower facilities
- Kitchen adaptations
- Extensions (within prescribed DFG limits and where no alternative viable solution is possible)
- Work that would be eligible for funding as a DFG

The on-going maintenance and servicing of adaptations will be funded from annual repair and maintenance revenue budgets. The renewal/ replacement of previously installed adaptations will be treated as a repair/ renewal funded from core budgets.

Provision of appliances and portable specialist equipment will not be funded as these are considered to be either a tenants responsibility or that of social services.

8. Extensions and Conversions

In some instances extensions and/or conversions will be considered where the property is capable of being adapted to meet a tenant's needs at reasonable cost and such adaptation is likely to have an on-going future demand and there is no other reasonable viable alternative (including re-housing). This may include an extension or conversion of an existing outbuilding where ground floor facilities are required.

These often require planning permission and building regulation approval, as well as a detailed feasibility study, specification and approval from the Client Council before being tendered and a contractor being appointed to carry out the work. Work is progressed as quickly as possible and may take up to 36 months to complete.

9. Circumstances where we will not undertake an Adaptation

This section of the policy only relates to adaptations exceeding £1,000. We will not adapt a property in the following circumstances:

- Where a tenant is under occupying by two or more bedrooms, where they are overcrowding (except in exceptional circumstances) or are waiting for a transfer to another property.
- Where the adaptation is unreasonable (e.g. structural alterations are necessary to facilitate the adaptation, installing a level access shower to a flat above ground floor which cannot be accessed by an existing lift, where the tenants needs can be met with alterations to the original proposal, such as fencing a reasonable amount of garden rather than the entire garden or using a ground floor second reception room as a bedroom)
- Where there is other suitable alternative adapted, part adapted accommodation or where it is considered likely that a suitable property will become available within 12 months of the request being made.
- Where an adaptation would adversely affect the council's ability to make the best use of the stock and and relet the property in the future.
- Where the cost of the adaptation is prohibitive and exceeds the equivalent maximum value applied to a DFG
- Where the applicant's condition is such that further adaptations will be required over time and during that time it is considered likely that alternative suitable accommodation will be available
- Where an adaptation would place others at risk e.g. a communal stair lift with no alternative access for other first floor residents
- Other than in exceptional circumstances, where a person is leaving a property with suitable adaptations already present within 5 years of those adaptations being completed
- Where the property is unsuitable for adaptation due to its construction
- Where the Client Council does not own the property
- Where the property is used for temporary housing

10. Financial Restrictions

The financial limits as defined in legislation are expected to be applied to all adaptations (£30,000 at 1 April 2018). Where costs for major adaptations, extensions and conversions exceed these prescribed limits they will not be approved. They shall be referred to the Client Council for consideration and review. Approval and budget allocation will be at the sole discretion of the Client Council and may require a contribution from the tenant. Tenants must also be made aware that if a property is increased in size, it may be subject to an increase in rent and property value.

EKH will not remove substantial adaptations (e.g. extensions) or previously installed major adaptations solely on the basis that the tenant no longer needs it, even if they (or a new non-disabled tenant) request it.

11. Long-term diagnosis

The long-term diagnosis of a tenant's condition and the future use and occupation of the property will be key considerations when making a decision about the most appropriate solution or scheme.

EKH will work in close partnership with the OTs and KCC Social Services when developing adaptation proposals.

12. Redevelopment

Where a tenant living in an adapted property is being moved because of redevelopment or refurbishment of their home, essential adaptations will be carried out in the new home being offered. This is most likely to apply to the tenants of previously converted housing, older properties and sheltered housing schemes which require refurbishment. It may involve providing showers to residents who have previously only had access to communal facilities.

13. Planned Maintenance

EKH will ensure, subject to funding constraints, that any necessary adaptation works are carried out through the Capital Programmes. Our commitment to maintenance programmes that improve accessibility should reduce the pressure on the adaptations budget.

An example of this is the programme to replace baths with level access shower facilities in sheltered housing schemes.

14. Limitations

It is recognised that tenants with disabilities will sometimes require very specific, tailored solutions to meet their needs. Any adaptation work will therefore only be undertaken after careful consideration of various factors such as:

- The current and future needs of the tenant(s) and their household
- The individual tenant's level of disability
- Professional assessment/recommendations of healthcare professionals
- Characteristics of the dwelling, its construction and internal arrangement
- Planning and building regulation requirements and legislation
- Budget provision and long term property asset implications
- The most cost effective means of achieving the required outcome

- Alternative solutions to address assessed needs

15. Under-Occupancy

EKH will consider the practicalities and cost involved in adapting an under-occupied property against the potential benefits to the tenant and the Client Council of moving them to a more suitable smaller home.

If a tenant is under-occupying and has requested adaptations, EKH will assess the suitability of their property for their needs. Our primary aim is to ensure tenants are housed in the most appropriate home to meet their needs. Secondary aims are to ensure budgets are spent effectively and that the long term benefit derived from the housing stock is preserved for future use.

Where EKH feel a tenant's needs are best met by moving them to a smaller and more suitable home, our overarching concern will always be to consider the wider impact of a potential move on the tenant's well-being and continuity of care. This will be judged on a case-by-case basis in collaboration with KCC OT service and the Client Council.

Where a tenant is under-occupying but has been granted under-occupation exemption via spare room subsidy, EKH will authorise adaptations providing the property is suitable to be adapted. Evidence of exemption must be provided.

16. Overcrowding

Where a tenant and their household is deemed to be overcrowded any referral for additional space, for example an extra bedroom, will not be deemed a valid adaptation on the grounds of social overcrowding. This will be classed as a Housing Needs issue and will be referred to the Client Council to help the tenant find a more suitable property to meet that need.

17. End of tenancy

Major adaptations will not be carried out where there is threat of an eviction or where the tenancy will not, or is not likely to continue, beyond a period of 6 months from the date upon which the application for adaptation is received by EKH. This is to ensure that adaptations are not carried out at a property if the tenant that needs the adaptation is going to be moving.

18. Right-to-buy

EKH will not carry out adaptations to properties that are going through the right-to-buy process. Any adaptation may be progressed by applying for adaptations through the DFG. If a tenant is completing a right-to-buy

application it should be noted that the sale and value of a property will be affected if major adaptations have already been carried out.

19. Suitability of property for adaptation

In some cases a property may not be suitable for adaptation due to the characteristics of the building. For example, because of its age, location, internal layout, type of construction, surrounding buildings, or ground conditions. Where an adaptation cannot be carried out for any of these reasons, EKH will consider moving the tenant to a more suitable property that can be adapted to meet their needs.

20. Level access showers above ground floor

New tenants with a disability or who are elderly are not usually housed in flats above ground floor level, as access may prove difficult for them. For disabled and elderly tenants currently living in flats above the ground floor, EKH will look at the suitability of installing level access showers in these properties before agreeing to carry out an adaptation.

EKH will consider the long-term needs of the tenant in the first instance, as well as their ability to access the property, in case their needs are better met by a move to another property on the ground floor.

21. Pavement crossovers and hard standings

Pavement crossovers and hard standings for car parking are primarily aimed at wheelchair users and tenants with severe disabilities. These requests are subject to approval by the local Planning Department and Kent County Council Highways.

22. Mutual Exchanges and Transfers

Where a tenant requests a mutual exchange or transfer from their adapted property, through their own choice, to one that is not suitably adapted, EKH will not carry out further major adaptations unless there are extenuating circumstances. EKH will take account of the reasons for the move and work with the tenant(s) to consider the option that best meets their long-term needs and requirements of the tenant(s) and/or their family.

23. Stair lifts and through floor lifts in stand-alone properties

Stair lifts will be considered as a minor adaptation. Through floor lifts will be considered after all alternative solutions have been explored, including

re-housing. These types of adaptations are subject to the constraints of the existing construction of the property and a fire safety assessment.

24. Specialist fixed and free-standing equipment

Specialist equipment such as rise and fall baths, bath and shower stretchers that are fixed to the structure of the property will be considered after all alternative solutions have been explored. These types of adaptations are subject to the; constraints of the existing construction, layout of the property, budget availability and financial expenditure limits applicable to adaptations.

Specialist free standing equipment will not be installed by EKH as this is considered a Social Service responsibility.

25. Communal areas and flatted accommodation

There is no statutory duty to grant works to communal areas.

EKH recognises that where works are both essential and reasonably practical, we shall consider essential access requirements. Such proposals may require the consent of other residents and must not disable or compromise other residents safety and will therefore be risk assessed on a case by case basis.

26. Stair lifts in communal areas of blocks of flats

EKH will not authorise the installation of a stair lift in a communal staircase in a block of flats. This is due to the increased risk of an impeded exit, not only to the disabled person, but other users of the building.

27. Access and Egress

Suitable access will be considered for the main front door and/or existing rear door(s) to a property, where reasonable and practical. If this is not viable the most economical provision will be explored, which may include other adaptations such as changing windows to doors. This will be at the discretion of EKH in conjunction with the KCC Social Services approved OT.

28. Referrals relating to behaviour

It is appreciated that where a child has challenging behaviour as a result of their disability it can cause difficulties and put additional strain on the family environment. Sometimes in these instances additional space or specialist facilities and equipment are needed to alleviate the strain on the family.

If a child is unable to share a bedroom with siblings due to a medical condition that affects their behaviour, but there is adequate additional space in the property, it is not reasonable or practical to provide additional space or equipment under this policy.

For other referrals relating to behaviour, EKH will work with the OT to consider the best solution and only carry out an adaptation where there is a genuine medical need that satisfies the requirements of this policy, and only when all alternative options have been exhausted.

29. Mobility Scooters

EKH will not provide provision for tenant's mobility scooters.

Tenants will be responsible for altering access paths/gates and supplying hard standings, sheds, electrical supply and any other associated works connected to accommodating their scooter, after receiving permission from EKH.

Mobility scooters should not be positioned in communal areas or stored near dwelling buildings, to ensure prevention of risk of fire.

30. Other options available to tenants

In cases where we cannot carry out adaptation work, either for financial or practical reasons tenants may choose to apply for DFG funding or consider other options that may be available, such as:

- Funding through a charity
- Armed forces associations
- Self-funding

These funding options are subject to permission from EKH and will only be agreed if the option is reasonable and meets the tenant's need.

If a tenant carries out their own work, they will also need permission from EKH before any work is carried out.

In these cases the tenant must:

- Ensure the proposed work is carried out by a fully competent qualified contractor
- Conform to the appropriate regulations and legislation
- Be responsible for putting right any damage relating to the works being carried out
- Contact EKH upon completion of any work so we can inspect the work to ensure it has been carried out to a satisfactory standard

- Provide EKH with any relevant certificates of the work upon completion
- Maintain and repair any equipment or fittings they have installed.

If a tenant carries out their own work, EKH reserves the right to request that the property is put back to its original condition upon termination of the tenancy. The cost of this must be met by the tenant.

31. Communication and Consultation

EKH recognises the importance of communicating with our tenants and will:

- Provide clear and comprehensive advice and information to tenants, with an aim for a single point of contact
- Contact tenants to confirm approval of recommended adaptations; when the work will be carried out, or that there is a waiting list
- Keep tenants informed of where they are on the waiting list and provide an approximate waiting time for their adaptations
- Inform tenants and explain why recommended adaptations have been refused under the limitations of this policy
- Consult in person with tenants regarding major works and explain the scope of the works and how long it will take to complete.
- Where appropriate, provide tenants with colour choices (e.g. for major bathroom adaptations – paint, tiles, flooring etc. - within EKH specification)
- Work with healthcare professionals on individual cases to ensure the most timely and cost-effective options are considered

EKH will actively promote this policy and the adaptations service through a range of media including (but not limited to) leaflets, posters, newsletters and the EKH website.

32. Performance Monitoring

EKH recognise the importance of working in partnership with our tenants and stakeholders to develop and continually improve our services and raise standards.

To demonstrate this EKH is committed to:

- Monitoring completed adaptations through the use of customer satisfaction surveys; to ensure we maintain performance and help inform future service improvements
- Publishing information in relation to EKH performance against the aims and standards set out in this policy
- Training EKH staff to recognise the need for adaptations and to enable them to give guidance to tenants who may require an OT referral
- Complying with the EKH Comments, Complaints and Compliments policy when a tenant wishes to complain or make a comment about any aspect of the adaptations process

33. Equality and Diversity

Through the management of this policy EKH aim to treat all tenants fairly, and with respect and professionalism regardless of their gender, race, age, disability, religion, sexual orientation and/or marital status.

To enable all tenants to have clear information and equal access to our services, EKH will publish this policy in a range of languages and formats and/or through a range of media, where appropriate, upon request. Full details of our approach are set out in the EKH Equality and Diversity Policy.

Where there is a barrier to accessing information about the service, extra effort will be made by EKH staff and its representatives to ensure the tenant understands the process. This may involve asking a relative or third party for help, or employing translation or interpretation services if necessary.

EKH staff will be sensitive to people who have lived in properties for a long time, to ensure that any solution (whether an adaptation or a move) is in the tenant's best interest and supports their long-term needs, well-being and continuity of care.

34. Policy Monitoring and Review

This policy and any associated procedures will be reviewed at least every three years. The review will ensure that a comprehensive service is being offered that meets tenants' requirements. The policy will also be reviewed in accordance with any future legislative changes as and when they occur, or if the policy is deemed to be unfit for purpose and/or no longer reflects tenants' changing needs.

Monitoring of performance and satisfaction with the adaptations service will be used to inform of future policy review in this area. All reviews will consider whether:

- The current policy adheres to legislative and regulatory requirements, and reflects good practice
- The aims and objectives of the policy are being met
- The current policy outcomes meet the needs and requirements of our customer base
- Service users are aware and understand the policy and believe it to be fair and consistent
- The service offers value for money

Overall monitoring and review of this policy will be undertaken in consultation with staff, tenant groups, the four East Kent Councils and other relevant partners and stakeholders.

**East Kent Housing
January 2019**

Proposed East Kent Housing Improvement Plan

1. Introduction

The four client councils have raised concerns about a number of key areas of the services provided by East Kent Housing. These concerns have arisen as a result of a number of factors including the performance of East Kent Housing, constraints on inflationary increases in the management fee paid by the four councils over time and emerging pressures on the service as a result of welfare reform and increases in homelessness. The 2016/17 Housemark benchmarking data showed that East Kent Housing provided their services at a lower cost than all others in their peer group. It also showed strong performance in areas of rent collection and void management.

However the Councils and East Kent Housing recognise that there are areas of weakness that they have been unable to resolve, and the key areas of concern relate to:

- Procurement of key contracts for the delivery of the council's planned maintenance and capital improvement programmes.
- Contract management of a number of key contracts.
- Rent collection, particularly in relation to tenants in receipt of Universal Credit.
- Single System implementation.
- Organisational health and sustainability

The four councils and East Kent Housing have therefore developed a draft improvement plan, setting out the actions needed to improve performance in these key areas, the resources required and the proposed outcome measures. The improvement plan covers a period of 18 months from 1 April 2019 to 30 September 2020 to allow time for investments and changes to be made and improved outcomes to be embedded in the organisation and services provided. Detailed 6 monthly reviews will be completed during this period to monitor progress and ensure focus is maintained on the delivery of the plan by East Kent Housing and the four client councils.

East Kent Housing were initially asked to prepare a position statement, setting out improvements needed, priorities for intervention and the resources required, which is attached to this improvement plan at Annex 1.

The improvement proposals submitted by EKH included a new role of Acquisitions and Development Officer to work alongside project officers in each council delivering local programmes. This proposal is not supported. It is considered that the proposed activity forms part of EKH's core

role and the current programmes are largely only replacing stock lost through the right to buy. In the event that these programmes significantly increase in scale or include temporary accommodation (with more complex management requirements) this request could be revisited.

2. Improvement Plan

Table 1 below sets out the proposed improvement plan. It details the improvements required, proposed actions, investment required, required outcomes and timescales. The improvement plan is also supported by a series of Key Performance Indicators set out in table 2 below.

Improvement Required	Proposed Actions	Investment Required	Measurable Outcomes	Timescale (end of month)
<p>1. Improved Procurement</p> <p>The overall procurement function within EKH has been problematic over the last few years. EKH continues to struggle to gain the confidence of the partner Councils. The Councils have already provided £38K p.a. to fund a procurement manager post within EKH.</p> <p>There are currently 52 outstanding procurements (74 contracts) to be delivered, with a further 22 contracts due for procurement prior to 2022.</p>	<p>Recruitment of an additional procurement officer to improve project management and to focus on the completion of key procurement projects.</p> <p>Agree reviewed service level agreement between councils and EKH setting out EKH's role and responsibilities in preparing procurement and contract documentation.</p> <p>Improved, timely and accurate production of technical specifications and tender documentation.</p>	<p>£35k</p> <p>Actual costs of external writing of specifications and tender documents, up to a maximum of 2% of the capital cost, for works without a current contract in place (See table 4).</p>	<p>Detailed Asset Management Strategies and Procurement Plans agreed with client councils setting out timescales for all procurement projects.</p> <p>Completion of all outstanding procurements in a time frame that enables the delivery of the 2018/19 and the 2019/20 capital programmes to be delivered in full by March 2020.</p> <p>95% completion of the agreed capital projects for</p>	<p>January 2019</p> <p>September 2019</p> <p>March 2020</p>

	<p>Key areas of concern are:</p> <ul style="list-style-type: none"> • The production of detailed specifications of work and contract documentation, with previously poorly constructed documentation impacting on contract management. • Procurement project management. 	<p>Compilation and agreement of detailed programmes of work for each area.</p>		<p>2018/2019 and 2019/20 by 30 March 2020.</p> <p>Planned programmes of work for areas communicated with residents.</p> <p>KPIs achieved</p>	<p>March 2019</p> <p>March 2020</p>
2.	<p>Improved Contract Management</p> <p>There have been a number of evidenced poor practice in contract management arrangements, most recently set out in a draft audit report into the management and supervision of planned maintenance contracts (October 2018).</p> <p>Concerns include contractual procedures not being followed and supervising officers not being aware of the contractual arrangements. This has caused difficulties in approving programmes of work, evaluating costs, signing off works and processing invoices.</p>	<p>Implementation of the audit report action plan in full, which aims to embed best practice in contract management within EKH.</p> <p>Interim use of external consultants to ensure immediate and sustained improvements in contract delivery and compliance and to provide assurance of value for money and probity for existing contracts.</p>	<p>None - existing resources</p> <p>£120k (£40k capital and £80k revenue)</p>	<p>Sustained improvements in assurance ratings achieved, with no 'limited' or 'nil' assurance ratings, on follow up audit of contract management.</p> <p>KPIs achieved.</p>	<p>March 2019</p> <p>March 2020</p>

3.	<p>Rent Collection</p> <p>Although the performance of EKH in collecting rent and reducing arrears has been strong in most areas, the introduction of Universal Credit has had a significant impact on overall performance. As a result rent arrears levels have been increasing.</p>	<p>Recruitment of 8 additional Income Officers and 4 additional Benefit and Money Advisors.</p> <p>Ensure all relevant rechargeable works and miscellaneous charges are raised as a liability and the agreed collection process is followed.</p>	£444k	<p>Achievement of upper quartile performance for both UC and non-UC tenants.</p> <p>KPIs achieved.</p> <p>Increased income from rechargeable works orders and miscellaneous charges.</p>	<p>March 2020</p> <p>March 2020</p> <p>March 2020</p>
4.	<p>Single System Implementation</p> <p>The single IT system project is considered to be critical to the long-term delivery of the services provided by EKH. The system will enable more flexible working, enhance online services for residents and unlock efficiency savings.</p> <p>Full implementation across all council areas is critical.</p>	<p>Effective management of the implementation of the new software and associated processes in all areas.</p> <p>Development and completion of system testing plans.</p> <p>Implementation of robust project management arrangements, including project plans, risk registers, issues and decision logs and agreed sign-off arrangements.</p>	<p>Capital resources already committed to this project.</p> <p>Current system legacy funding to be transferred to EKH on implementation, as per the existing agreement from the Councils.</p>	<p>Full implementation of all key modules in all areas.</p> <p>Modules are:</p> <ul style="list-style-type: none"> ● Rents and voids ● Planned maintenance and repairs ● Leasehold and service charges <p>Substantial assurance achieved by the Councils and EKH in post implementation audits, by March 2020.</p>	<p>September 2019</p> <p>March 2020</p>

<p>5.</p>	<p>Organisational Health and sustainability</p> <p>Since 2011 increases in the core management fee have been constrained, with only specific new posts funded. There have been no cost of living or inflationary increases.</p> <p>New burdens and demands on the service have added significant pressure and there has been a clear impact on the the ability of the organisation to respond to changing demands over time.</p> <p>Pressures risk impacting on staff morale and turnover.</p> <p>The service has seen increasing numbers of complaints and enquiries from members, and investment in a new complaints process has seen response times improve.</p> <p>Communications channels are not always clear or consistent.</p>	<p>Award of cost of living increases and incremental pay scales.</p> <p>Funding for pension payments to KCC.</p> <p>Satisfactory staff levels maintained throughout the period of the improvement plan.</p> <p>Development of workforce plan/people strategy.</p> <p>Develop new communications plan, including internal communications and communications with client councils and residents.</p>	<p>Cost of living increases - £85k (1.5%)</p> <p>Pension contribution increases - £18k</p> <p>Incremental pressures - £67k</p> <p>Support from CCC to develop an organisational communications plan</p>	<p>Sustainable levels of staff turnover and reduced used or interim/temporary staff,</p> <p>Workforce plan/people strategy in place.</p> <p>Retained earnings reserve to be maintained at a sustainable level (5%) and medium term financial plan to be put in place.</p> <p>New arrangements to monitor resident satisfaction in EKH</p> <p>Evidence of learning from complaints</p> <p>Implementation of new organisation communications plan.</p>	
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Table 1: Improvement Plan

Key Improvement		Key Performance Indicator (KPI)	Target	Frequency
1.	Improved Procurement	Specifications produced to timeframes agreed with Council procurement officers (average 20 working days)	20 days	Quarterly
		95% expenditure of agreed capital projects delivered	95%	Quarterly
		95% of agreed capital projects delivered	95%	Quarterly
		99% of properties will meet the Decent Homes Standard	99%	Quarterly
		Respond to all procurement enquiries within a maximum of 5 working days	100%	Quarterly
2.	Improved Contract Management	100% pre-inspection of all heating installations	100%	Quarterly
		100% post inspection of all heating installations	100%	Quarterly
		10% post inspection of all repairs	10%	Quarterly
		4x Contract core group meetings (involving resident representation) per annum for agreed key contracts	4 per annum	Quarterly
		99% of invoices checked and validated and paid on time	99%	Quarterly
3.	Rent Collection	Tenants will receive either face to face or telephone contact within 1 week of EKH being notified they are moving onto Universal Credit	100%	Quarterly
		Current tenant arrears (non UC) as a percentage of rental income	1.25%	Quarterly
		Current tenant arrears (UC) as a percentage of rental income	3.3% or Upper quartile performance	Quarterly

		Garage arrears as a percentage of rental income	0.39%	Quarterly
		Rechargeable works and miscellaneous charges: <ul style="list-style-type: none"> Charges raised as required Amount collected as a percentage of the charges raised 	100% 50%	Quarterly
4.	Single System Implementation	Key milestones, ongoing system servicing and go live dates met by the Councils and EKH	100%	Monthly
		Key project management documentation maintained	100%	Monthly
5.	Organisational Health and sustainability	Proportion of complaints responded to within 10 working days.	95%	Monthly
		Resident satisfaction in EKH services (82% in 2016/17)	82% or better	Annually
		Proportion of staff who see themselves working at EKH in two years time (2018 - Disagree/Strongly Disagree was 14%)	<14% disagree/strongly disagree	Annually
		Proportion of permanent staff in the organisation	93%	Annually

Table 2: Key Performance Indicators

3. Resourcing the Improvement Plan

The current cost of the EKH management fee, across all four districts is £8.425m. This is apportioned between the client councils as follows:

Council	2018/19 Management Fee	Current rented stock numbers	Management fee per dwelling
Canterbury	£2.899m	5,128	£565
Dover	£2.197m	4,287	£512
Folkestone and Hythe	£1.984m	3,365	£590
Thanet	£1.346m	3,021	£446

Table 3: Management Fee

The apportionment of the management fee is historic and based upon the level of resourced transferred into EKH at its inception in 2011. The proposals to provide a percentage of the capital programme for the preparation of specifications and tender documents is an initial step towards a longer term mechanism for apportioning costs on an activity basis. It is acknowledged that there are differences in the way on which services are provided between districts, the profile of the housing stock and the needs of residents that complicate alternative options for the apportionment of costs. Over this period overall rented stock has reduced by around 2% from 16,204 to 15,891 (as at 1 April 2018).

The total cost of the package of improvements proposed is £729k revenue, representing 8.7% of the 2018/19 management fee and up to £324k capital (representing 0.9% of the current approved capital projects for 2018/19 and 2019/20). The table below sets out the proposed apportionment of these costs across the four client councils.

Council	Current Management Fee	Total Capital Programme (2018/19 approved & 2019/20 draft)	Capital programme value to be procured (2018/19 & 2019/20)	Annual revenue cost of plan	Maximum capital cost of plan (Up to 2% plus £40k)	Revenue cost as a percentage of the management fee	Capital cost as a percentage of total programme
Canterbury	£2.899m	£14.651m	£5.689m	£182,250	£124k	6.3%	0.8%
Dover	£2.197m	£7.067m	£1.571m	£182,250	£41k	8.3%	0.6%
Folkestone and Hythe	£1.984m	£7.655m	£2.561m	£182,250	£61k	9.2%	0.8%
Thanet	£1.346m	£8.346m	£4.386m	£182,250	£98k	13.5%	1.2%
Total	£8.426m	£37.719m	£14.207m	£729,000	£324k	8.7%	0.9%

Table 4: Funding request

The client councils propose to provide this additional funding initially for the period from 1 April 2019 to 30 September 2020, on a pro-rata basis. In return EKH will deliver the outcome measures set out in this improvement plan, and report progress against the suite of key indicators.

4. Implementation

This improvement plan is for the the period from 1 April 2019 to 30 September 2020 and outcome measures and key performance indicators will apply during this period.

The £729k p.a. revenue funding set out in this plan will be made available for the financial year 2019/20 (full year effect) and for the financial year 2020/21 (pro-rata). Recruitment for proposed new roles will need to commence during 2018/19.

Capital funding will be provided to cover the actual costs of external writing of specifications and tender documents, up to a maximum of 2% of the capital cost of works due in 2018/19 and 2019/20 which do not have a current contract in place, plus a contribution of £40k towards additional contract supervision. This will ensure that tendering activity can commence during the current financial year for key contracts so that works can start promptly in 2019/20 and be completed by 31 March 2020.

EKH will put in place a comprehensive implementation plan setting out the activities that will be required to implement this plan in full.

5. Monitoring and Review

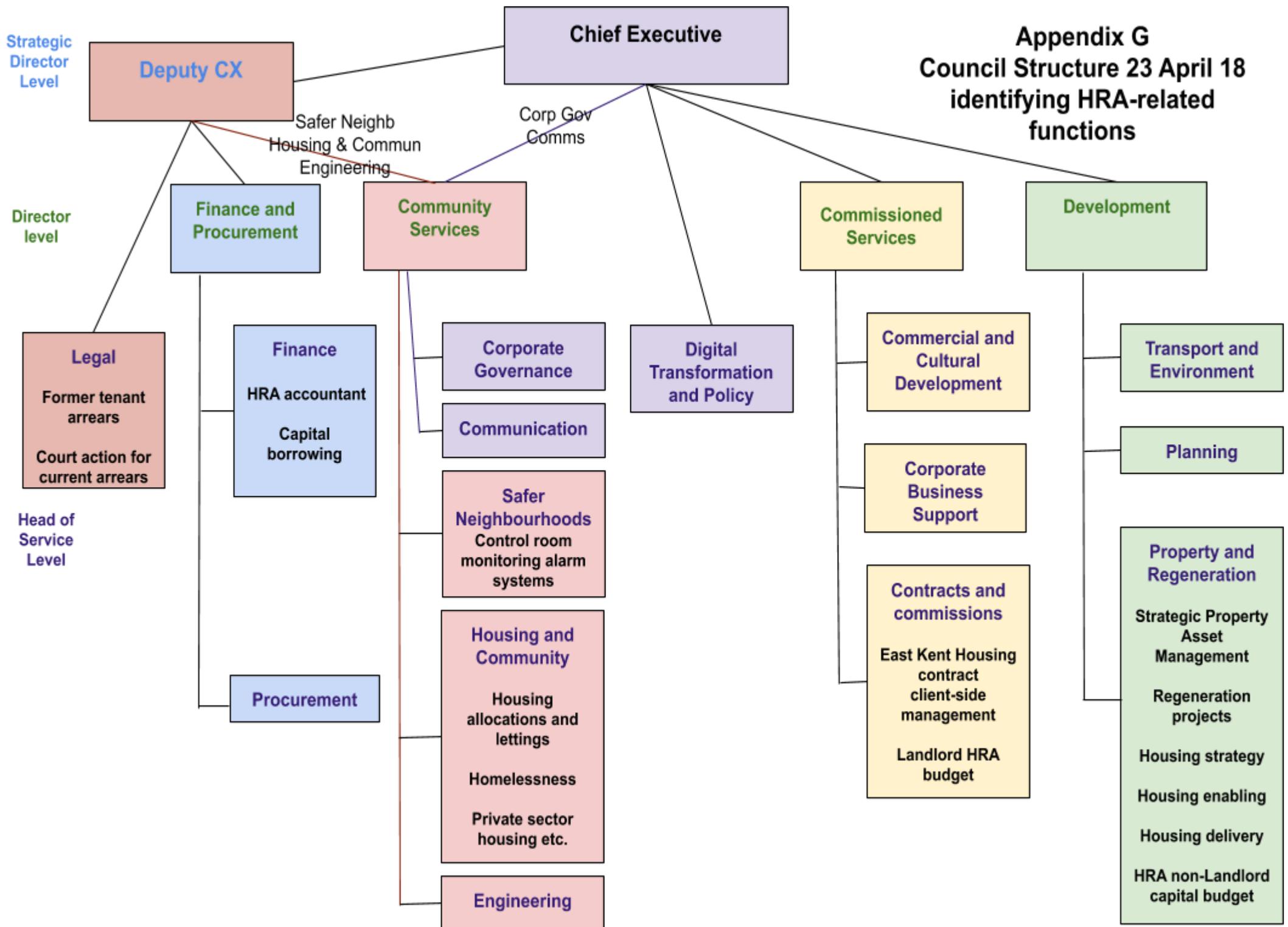
The outcomes and indicators in this plan will be closely monitored throughout the period. Monitoring arrangements will include:

- A quarterly report to client officers setting out performance against key indicators and progress towards specified outcomes.
- A bi-annual progress report to the Chief Executive Forum.

The East Kent Housing Board (which contains Councillor representatives) will also be monitoring performance against the improvement plan and will lead on ensuring that EKH deliver the actions set out in this plan. The EKH Board will monitor the improvements at each of its meetings, and their Performance & Improvement Committee (chaired by a council representative) will have responsibility for detailed oversight of the plan.

A thorough review of the impact of this improvement plan will be completed by EKH, in collaboration with the council client officers during the last 6 months (1 April 2020 - 30 September 2020). The review will set out the progress made in achieving lasting improvement and make recommendations for funding and for any further council interventions beyond 30 September 2020.

**Appendix G
Council Structure 23 April 18
identifying HRA-related functions**



Strategic Director Level

Director level

Head of Service Level

Safer Neighbourhoods
Housing & Community
Engineering

Corp Gov
Comms

Draft Housing Revenue Account Business Plan 2019

Number of responses: Combined response from TCG at special meeting on 27 August 2019.
6 members attended.

Are you responding as...?

An individual	-	-
An organisation, business or community group	1	100%
Other, please specify below:	-	-

An organisation, business or community group

Tenants Consultative Group

Which of the following best describes you?

Council tenant	6	100%
Waiting to be offered a council property	-	-
Neither of the above	-	-

To what extent do you agree or disagree that these are the right aims?

Strongly agree	6	100%
Tend to agree	-	-
Neither agree nor disagree	-	-
Tend to disagree	-	-
Strongly disagree	-	-

What alternative aims do you think the council should choose?

Q. Howe Barracks - how did a London Borough get the properties?

A. MoD sold the properties on a long lease some years ago to a private company. They were no longer required for use by MoD, so the company offered them to the market on a secret competitive bidding basis, which was won by LB Redbridge.

Q. Over 60's should be charged the Bedroom Tax

A. This is a central government policy decision that the council does not control.

Q. Good quality maintenance not mentioned in the strategic objectives.

- A. It is included under No. 2 in the reference to decent homes. Language may require clarification.

Would you support or oppose the principle of the council charging higher rents (called “Affordable Rents”):

- For new council homes to help pay for them to be built?
- To new tenants of existing council homes to help pay for maintaining them to a good standard? (This would not affect existing tenants)

	Support	Oppose	Neither	No reply
Charging “Affordable Rents” for new council homes to help pay for them to be built	6	-	-	-
	100%	-	-	-
Charging “Affordable Rents” to new tenants of existing council homes to help pay for maintaining them to a good standard	6	-	-	-
	100%	-	-	-

Please tell us why:

Clarification: this is a very complex policy area, which will affect the whole of the council’s rent policy. As such, it will have to be subject to a full options appraisal to councillors and TCG will have the opportunity to be consulted. Social rents will start to be increased from April 2020 for the first time in 4 years.

TCG statements:

- there are many caveats and complexities about this question
- the vote was on the basis of the principal of Affordable Rents, not the detail
- concern about neighbours paying different rents

Which of the following do you think is most important?

Building new council homes	1	16.7%
Maintaining existing council homes	-	-
Getting a balance between building new homes and maintaining existing homes	5	83.3%

Please tell us why:

- New homes are important, but the existing stock must be properly maintained.
- Concern about quality of maintenance, particularly planned maintenance.

To what extent do you feel your views as a tenant are listened to?

	CCC		EKH	
A great deal	6	100%	1	16.7%
Somewhat	-	-	-	-
Not very much	-	-	5	83.3%
Not at all	-	-	-	-

Please tell us why:

Q. What is meant by “listen”?

- A. It is intended to mean active listening i.e. paying attention, asking questions, understanding.

TCG wanted to differentiate between CCC and EKH.

EKH have had many chances including Deborah Upton, but nothing happens.

Michelle Simmonds was highlighted as a notable exception in her work with the SHeltered Housing Forum. She listens, takes notes of meetings, with agreed actions, implements them and reports back to the Forum.

Would you like to be more involved in managing your home?

Yes	6	100%
No	-	-
That depends...	-	-

Comments

Consensus that current arrangements are not satisfactory. TCG feels sidelined.

TCG members have 25 years of experience and know too much for EKH.

EKH does not want people who know what to do.

Access to EKH performance information is now limited by the reduced cycle of meetings.

Who brings topics to meetings?

No opportunity for TCG to consult with other tenants.

To what extent do you agree or disagree that the council should help and encourage tenants to move to a smaller home if they have more bedrooms than they need?

Strongly agree	1	16.7%
Tend to agree	4	66.6%

Neither agree nor disagree	1	16.7%
Tend to disagree	-	-
Strongly disagree	-	-

Please tell us why:

TCG generally supported the idea of support, help and incentives, but not forcing people to move.

Q. Why is 50+ the point at which people qualify for older persons accommodation?

Discussion about:

- the restriction leading to more vacant properties for which it is sometimes difficult to find tenants
- Need to review restrictions to ensure their relevance
- This is part of a bigger review
- Our properties should reflect housing need and demand for accommodation

What type of housing do you think the council should concentrate on providing?

General purpose housing such as flats and houses	-	-
Specialist housing for people who need care and support such as sheltered accommodation	-	-
A balance between general purpose housing and specialist housing	6	100%

Please tell us why:

Consensus that specialist accommodation is age-related not for providing care.

CCC is a landlord not care provider.

Some landlords no longer provide support services.

The lifestyles of some younger and older households are not entirely compatible.

CCC/HRA should not try and provide services that KCC should be providing.

New buildings or conversions should be designed to be suitable for older or less able residents.

Please provide your postcode:

Postcode	Number of responses	Percentage
CT1	2	33.3%
CT2	1	16.6%
CT3	-	-
CT4	2	33.3%
CT5	1	16.6%

CT6	-	-
CT9	-	-
No reply	-	-

What gender are you?

Male	3	50%
Female	3	50%
Other, please state below	-	-
Prefer not to say	-	-

Other, please:

What age are you?

Under 18	-	-
18 to 25	-	-
26 to 34	-	-
35 to 44	-	-
45 to 54	-	-
55 to 64	-	-
65+	6	100%
Prefer not to say	-	-

Including yourself, how many adults aged 18 or over live in your home?

Number of adults	Number of responses	Percentage
1		
2		
3		
4		
Prefer not to say		

How many children aged 17 or under live with you?

Number of children	Number of responses	Percentage

None		
1		
2		
Prefer not to say		
No reply		

Draft Housing Revenue Account Business Plan 2019

Number of responses: 22

Are you responding as...?

An individual	21	95.5%
An organisation, business or community group	1	4.5%
Other, please specify below:	-	-

An organisation, business or community group

Thanington Parish Council

Which of the following best describes you?

Council tenant	6	28.6%
Waiting to be offered a council property	4	19.0%
Neither of the above	11	52.4%

To what extent do you agree or disagree that these are the right aims?

Strongly agree	9	40.9%
Tend to agree	10	45.5%
Neither agree nor disagree	2	9.1%
Tend to disagree	1	4.5%
Strongly disagree	-	-

What alternative aims do you think the council should choose?

There is no reference to the importance of good aesthetic. If people are to 'love where they live', stop graffiti and dropping litter etc, the beauty of any housing improvement warrants priority. It's no good providing housing that is functional but ugly, Canterbury will look and feel depressing, with depressed residents, that give up bothering with their environment. Housing must, of course, be addressed but it is how it is addressed that causes so much angst and fear. If new housing was attractive, with generous tree planting it would not

attract such a strong ‘not in my back yard’ feeling. Car parking needs to be considered too
 - continuously squeezing in property with no car parking only leads to problems for refuse carts and emergency services etc.

Would you support or oppose the principle of the council charging higher rents (called “Affordable Rents”):

- For new council homes to help pay for them to be built?
- To new tenants of existing council homes to help pay for maintaining them to a good standard? (This would not affect existing tenants)

	Support	Oppose	Neither	No reply
Charging “Affordable Rents” for new council homes to help pay for them to be built	12	7	2	1
	54.5%	31.8%	9.1%	4.5%
Charging “Affordable Rents” to new tenants of existing council homes to help pay for maintaining them to a good standard	10	10	2	-
	45.5%	45.5%	9.1%	-

Please tell us why:

Affordable rent seems ok to charge to help cover the cost of a new council home but not existing homes

Affordable rents are not affordable. In the Canterbury area, private rents are very high, so 80% (affordable rent) is too high and not actually affordable. This will increase the housing benefit bill and put tenants at risk of arrears. It's a backward step, the country needs to be moving back to social rents. It's a well known fact that affordable rents in high value areas are far too high.

All tenants should contribute to new housing stock to benefit them and future tenants

As any rent increase would make mischief of the income to rent Theory that you pose in your aims . Before any rent increase was even considered the landlords should look at the income of the prospective renters income not the average of the community as that is very misleading information. I would strongly suggest you look at you outsourcing of management and maintenance contracts as they are well due a overhaul.

Because they already live in council property so should really pay to keep them at a good standard in the same condition if have to pay maybe would deter them from damaging an disrespecting the property as it is their responsibility

I support but with the provision of it remaining affordable to tenants

If people can't afford to pay rent how can you even consider charging higher rent?

I'm not sure if I have misunderstood the question but charging higher rents would make them less affordable. Unless the rise of rent is still below private I suppose.

It is agreed that in many cases existing council house rents are very low, and should have increased gradually more over the last several years to cover the increasing costs of maintaining and building properties. However it would be unfair, and likely to cause financial pressures, if existing tenants were to have increased rent costs when they are likely to already be struggling financially. New renters / occupiers would be able to select properties based on their income and known finances.

It will hopefully help people learn to budget more, and appreciate what they have.

Most affordable rents are in line with the cost of a mortgage without the end result of actually owning the property at the end of the term. I was always of the belief that council houses were to assist people on low to medium incomes that could not afford a mortgage, or private rent, because the council took a longer view that the property would be in there hands for a prolonged period of time, thus lower social rents. The affordable rents are used to bring in the maximum amount of revenue in the shortest possible time frame thus generating maximum profit for the housing company that has it, not much different to a private landlord who would seek to get his mortgage paid as fast as possible to be in profit.

Service charges are open to abuse and overcharge and do not provide value for money.

Tenants on Housing Benefit will be able to claim higher payments to offset higher rents.

To help With new Housing

We (as a family) have been on the waiting list for over 10 years and we are now in a situation where by Kcc rules, it is against the law for my son and daughter to share a bedroom because of their ages, so now we are in need of a larger house but because they aren't autistic or have adhd and they are normal children we are pushed back down the waiting list.

We desperately need more housing,

You have not explained what an affordable rent is, or how that would be determined - so how can anyone give sensible feedback on this question?!

Which of the following do you think is most important?

Building new council homes	3	13.6%
Maintaining existing council homes	-	-
Getting a balance between building new homes and maintaining existing homes	19	86.4%

Please tell us why:

Any existing council home would eventually reach disrepair if not maintained so then still would be left with a shortage of housing. Expecting people to accept a badly kept existing home is not fair. It would make sense to put money towards maintaining existing homes as well as building new ones.

Any new building should and could be done by making them in a prefabricated way, with this done within the borough. This would give employment, minimise cost, and enable a passive house minimum standard, thus allowing tenants to live with low cost utility bills.

As to let your assets go into disrepair is a gross mismanagement and this is how we got here in the first place. It's not the building of a dwelling that is the real cost it's the long term maintenance coupled up to a sustainable home process.

Extra homes needed for local people but existing tenants also deserve 'decent' homes

Herne bay has a variety of different housing stock and creating houses States does not help the town keep it's great community links...

If you allow existing housing to fall into disrepair then the housing stock will decline at an unsustainable rate, however there is already a known council housing shortage. Whatever processes take priority through this assessment, the outcome must be an overall increase in council housing numbers.

Makes sense to get it right an maybe would keep costs down a bit

More and more people and families are coming on to the council bidding list everyday. They are desperate and seek help. The council do need to build social housing and renovate old empty council houses for those in need. They need to give Canterbury residents back there dignity. I for one, am awaiting a 3 bed property with a 3 year old autistic boy still sleeping in a crib. We would love to see the council bring back the atmosphere of beautiful Canterbury, as it has completely gone down hill.

More homes need to be added but the council needs to make better use of its existing housing stock. Seeing council properties empty and unused for prolonged periods of time should be one area of focus.

New homes are needed urgently as the housing waiting list is getting bigger & bigger. Existing homes need continual maintenance so they do not decline

No good building new and letting the old rot! As I said above, if we want residents to be proud of Canterbury 'love where they live', stop dropping litter and spraying graffiti creting an attractive environment is vital - otherwise this will be a very costly exercise that is not appreciated or respected. Plant more trees please!!!

Severe shortage of council houses means need to make use of what's already there as well as building more houses

There are lots of empty houses that could be done up for people Which is cheaper than building new ones

There are many vacant properties in Canterbury that could/should be occupied before the need for yet more houses. Equally, if new houses were built to accommodate residents rather than STUDENTS the whole city might benefit, rather than a tiny minority of private individuals and landlords!

There's a desperate need for more council housing but existing homes must also be maintained.

We need more houses

we need new homes but they also need to be maintained especially if the tenants are elderly or disabled, the houses need to be kept safe.

You are selling off all the council assets already so you should build more council houses

To what extent do you feel your views as a tenant are listened to?

A great deal	-	-
Somewhat	1	16.7%
Not very much	4	66.7%
Not at all	1	16.7%

Please tell us why:

Contact with the council has been challenging sometimes you get a good response others you just feel like you have been fobbed off and it can take a very long time to get answers to simple questions.

If a repair is reported not much notice taken of the tenant if they have something to say regarding the repair

Some local counsellors are very good at listening and trying to help tenants

Tenants should be 60% of any management board and when they are not it's a failing community. The reason cooperatives Housing works so well, is that the members have a vested interest in the long term outcome. Without tenants on board you will always be seen as distant landlords.

To what extent do you agree or disagree that the council should help and encourage tenants to move to a smaller home if they have more bedrooms than they need?

Strongly agree	8	36.4%
Tend to agree	8	36.4%
Neither agree nor disagree	2	9.1%
Tend to disagree	2	9.1%
Strongly disagree	2	9.1%

Please tell us why:

Before any movement of tenants there needs to be a proper meaningful local plan where communities are at the heart of it, where old meets young and have a shared interest in-all that a community offers. If we want sustainable communities we need to plan them.

Efficient use of current housing stock helps everyone

Families increase at different rates....just because some people choose to have kids later does not mean that the family home isn't going to be under utilisedforcing families to downsize to provide homes for those with large families is not going to solve the population growth or knowing how to run a home well over the years.

Families need homes. Kcc rules state sibling f/m cannot share after one child becomes 10 years old.

Free up bedrooms

I think that it is unfair and unsustainable for occupiers/tenants to live in properties which have more bedrooms than people living at the property. This is not a problem limited to council housing sector, but social housing must be managed in a way that benefits as many people as possible.

If a tenant can be offered something that suits their current needs they are likely to accept, providing what is offered is pleasant and attractive. No one will give up their existing home for something unattractive!!

If there is a scarcity of bedrooms and an individual who is reliant on the council for their accommodation has an excess of bedrooms for their needs then it is wrong that the council doesn't re-distribute the property to gain maximum occupancy.

If they have a 4 bed and there is only 2 living there it makes sense to offer it to larger families

If we was under occupied with a spare bedroom, I would see the reasons behind it.

People need to realise that when they no longer have the need for a large property they have an obligation to move to a smaller one to allow families to move from unsuitable accommodation. For example a 5 member household living in a 1 bedroom flat for more than 3 years due to there being no 4 bedroom properties available, a lot of these are due to people not downsizing when they no longer have a need for 4 bedrooms because they have lived there for years, perhaps some form of incentive scheme should be employed to encourage these people to move and new tenants should have it written into there agreement that they will move once there need has changed.

Some family have been in their home for years and they are attached to them

That would be a good idea but for the elderly or disabled there are very few choices to down size to, and as the exchange register is not easily accessible

The council must provide good homes to downsize to, otherwise no amount of help or encouragement will work. No-one will want to move to a worse property than they have now or in area they don't want to be in or feel safe in.

There are big family's in need of larger homes but unable to get a suitable home because smaller family's or single individuals are occupying them. It makes sense to encourage people to only live in accommodation that is suitable for their needs. If more bedrooms are wanted by tenants but not needed they should be encouraged to buy their own home or something.

They need to understand that housing stock must be allocated appropriately

This can cause enormous problems, but if they are willing its a great idea

Too many tenants living in homes too large for their circumstances. This includes retired people over state pension age.

Well why would someone want to have more bedrooms than needed an some people with children are cramped common sense really

What type of housing do you think the council should concentrate on providing?

General purpose housing such as flats and houses	5	22.7%
Specialist housing for people who need care and support such as sheltered accommodation	-	-
A balance between general purpose housing and specialist housing	17	77.3%

Please tell us why:

As you get older you may require sheltered housing so it needs to be available

Because one size doesn't fit all! We have a diverse population. Bungalows also need to be built for this with mobility issues. Planning permission to put stairs in existing bungalows must stop!!! This rare asset, the bungalow without stairs, whether private or publicly owned should be legally protected.

Both are needed but the ratio should be set at what is actually needed the most. The council should have information on this.

co housing is an option too, worth looking into.

Don t like towns which are not a good mix of privately owned and council estates....don t like ghettos.

Elderly, disabled and other special needs residents should have accommodation specific to their needs rather than being made to manage in general purpose housing

Having been an avid watcher of the housing list for over 2 years there seams to be more than enough sheltered or assisted housing as there is always multiple available every week and they appear to be the same ones and no body is bidding on them is the only assumption I can make.

Housing and flats can be retrofitted if required into sheltered accommodation, and / or nurses and other specialists can attend visits to regular properties. However, sheltered accommodation is more limited in that it does not suit the needs of people seeking regular housing.

I think it is only fair to make sure their are suitable housing for people who have more supported needs.

if there were more bungalows you would be able to get more elderly & disabled to give up larger homes

Obviously can't favour one area of need above the other

We need house

We need to meet the needs of all our communities. The most important part of any build is how we design for a sustainable heating program where how we use our Carbon footprint is at the forefront.

We need to support everyone in our society.

Well both are just as important so a balance of the two would be good provide for the majority

Please provide your postcode:

Postcode	Number of responses	Percentage
CT1	7	33.3%
CT2	3	14.3%
CT3	1	4.8%
CT4	2	9.5%
CT5	2	9.5%
CT6	4	19.0%
CT9	1	4.8%
No reply	1	4.8%

What gender are you?

Male	9	42.9%
Female	11	52.4%
Other, please state below	1	4.8%
Prefer not to say	-	-

Other, please:

Married couple

What age are you?

Under 18	-	-
18 to 25	-	-
26 to 34	4	19.0%
35 to 44	1	4.8%
45 to 54	4	19.0%
55 to 64	7	33.3%
65+	4	19.0%
Prefer not to say	1	4.8%

Including yourself, how many **adults** aged 18 or over live in your home?

Number of adults	Number of responses	Percentage
1	8	38.1%
2	8	38.1%
3	2	9.5%
4	1	4.8%
Prefer not to say	2	9.5%

How many **children** aged 17 or under live with you?

Number of children	Number of responses	Percentage
None	13	61.9%
1	2	9.5%
2	3	14.3%
Prefer not to say	2	9.5%
No reply	1	4.8%